



October 31, 2025

Ms. Debbie-Anne Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

Re: Midwestern Gas Transmission Company
 Modifications to FERC Gas Tariff
 Docket No. RP26- -000

Dear Ms. Reese:

Pursuant to Section 4 of the Natural Gas Act and Part 154 of the Regulations of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. Part 154, Midwestern Gas Transmission Company ("Midwestern") hereby tenders for filing and acceptance the below tariff records for inclusion in its FERC Gas Tariff, Original Volume No. 1 ("Tariff"). Midwestern respectfully requests that the Commission accept these Tariff records to be effective December 1, 2025.

Tariff, Volume No. 1, Cover Page, v. 6.0.0
 Part 2.0, Table of Contents, v. 3.0.0
 Part 4.0, System Map, v. 4.0.0
 Part 7.10, Rate Schedule FT-A, v. 5.0.0
 Part 7.11, Rate Schedule FT-B, v. 5.0.0
 Part 7.12, Rate Schedule FT-C, v. 5.0.0
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 Part 7.31, Rate Schedule LMS, v. 6.0.0
 Part 7.32, Reserved for Future Use, v. 6.0.0
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Part 8, Section 34, Electronic Contract Execution, v. 3.0.0
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Statement of Nature, Reasons, and Basis for the Filing

Midwestern is submitting the proposed Tariff records following Midwestern's sale to DT Midstream, Inc. ("DTM"). As part of the integration of Midwestern into the DTM family of assets, Midwestern will transition from its current gas management system to Trellis, the gas management system used by the DTM pipelines. Trellis is a cutting-edge technological tool that will provide a unified, efficient gas management system for all of DTM's interstate natural gas companies. Additionally, the implementation of Trellis will simplify, improve, and enhance the user experience of customers transacting business on Midwestern's pipeline. Midwestern is in the process of implementing the new system, and it is anticipated to go-live on December 1, 2025, which coincides with the requested effective date. As part of this development, Midwestern has identified certain areas of its Tariff that require modifications, discussed in further detail below, in order to facilitate the completion of the new Trellis system.

A. Capacity Release Tie-Breaker

Midwestern proposes to revise General Terms and Conditions ("GT&C") Section 21.6, which governs in the event of a tie bid for released capacity in the absence of a prearranged bidder. Midwestern specifically proposes to replace the current default tie-breaker (which utilizes a lottery system) to the "first in time" bid method facilitated by the Trellis system.

The Commission has stated that "no single tie-breaker method is definitely better than other methods; each system has advantages and disadvantages," and that pipelines may choose "any method" for inclusion in its tariffs as default mechanisms "so long as [the] method[s] [are] reasonable." The Commission has found that the "first-in-time" method is "reasonable, fair, and nondiscriminatory."¹

In addition, Midwestern's Tariff provides that a releasing shipper may choose a different tie-breaker mechanism for evaluating bids for a particular release.

¹ *Trailblazer Pipeline Co.*, 103 FERC ¶ 61, 225 at P 102 (2003), citing *United Gas Pipe Line Co.*, 65 FERC ¶ 61,006 at 61,070 (1993) (holding the first-in-time method as reasonable, while rejecting a protest arguing for the *pro rata* method); *Arkla Energy Resources, a division of Arkla, Inc.*, 62 FERC ¶ 61,076 at 61,465 (1993); and *Panhandle Eastern Pipe Line Co.*, 61 FERC ¶ 61,357 at 62,417 (1992).

DT Midstream, Inc.
500 Woodward Ave.
Suite 2900
Detroit, MI 48226

B. Rate Schedule PAL Term Extension Provision

Midwestern proposes to add an evergreen provision to Article 7 of its pro forma Rate Schedule Park and Loan (“PAL”) agreement to align with Trellis’s functional capabilities and overall management of rate schedule PAL service agreements. The new provision provides that the term of a customer’s service agreement for Rate Schedule PAL may continue beyond the Primary Term unless and until it is terminated by a customer or Midwestern. As modified, the pro forma service agreement for Rate Schedule PAL will be consistent with substantively identical tariff provisions approved by the Commission on third party pipelines.² Additionally, the proposed extension provision offers greater flexibility to customers, who will now be able to negotiate extensions of their PAL agreements.

C. Other Tariff Modifications

Finally, Midwestern proposes to make a variety of non-substantive changes to the Tariff. First, in the interest of simplifying its Tariff and promoting administrative efficiency, Midwestern proposes to combine its separate Rate Schedules for Loan Management Service for receipt and delivery points into a single Rate Schedule for both receipt and delivery points. This will not result in any substantive changes to customers in the functioning of the Load Management Service, other than increased administrative ease. Conforming changes to reference the Load Management Service were updated throughout the Tariff accordingly. Midwestern also proposes revisions, including without limitation: ensuring consistent use of defined terms; updating address and contact information; updating website information; correcting typographic errors, and streamlining language.

Materials Enclosed

In accordance with the applicable provisions of Part 154 of the Commission’s regulations, Midwestern is submitting an eTariff XML filing package in PDF format containing the following information:

- (1) An eTariff XML filing package containing the proposal submitted as a zip (compressed) file.³
- (2) A transmittal letter in PDF format, incorporating the Statement of Nature, Reasons, and Basis for the filing required by section 154.7(a)(6) of the Commission’s

² See Texas Eastern Transmission, LP, FERC Gas Tariff, 8th Revised Volume No. 1, Form of Service Agreement for Rate Schedule PAL; Algonquin Gas Transmission, LLC, FERC Gas Tariff 6th Revised Volume No. 1, Form of Service Agreement (Applicable to Rate Schedule PAL); Gulfstream Natural Gas System, LLC, FERC Gas Tariff 1st Revised Volume No. 1, Form of Service Agreement for Rate Schedule PALS; Southeast Supply Header, LLC, FERC Gas Tariff 1st Revised Volume No. 1, Form of Service Agreement (Applicable to Rate Schedule PALS).

³ 18 C.F.R. § 154.4.

Regulations.⁴

- (3) Appendix A – a clean version of the Tariff record in PDF format for publishing in eLibrary; and
- (4) Appendix B – a marked version of the Tariff record in PDF format for publishing in eLibrary.

Proposed Effective Date

Pursuant to section 154.7(a)(3) of the Commission's regulations, Midwestern respectfully requests that the Tariff record submitted herewith be approved effective December 1, 2025, which is at least thirty (30) days after receipt of this filing by the Commission. In accordance with section 154.7(a)(9) of the Commission's regulations, Midwestern hereby files a motion to place the proposed Tariff record into effect at the end of any suspension period if one is so ordered by the Commission in this proceeding.

Waivers

Pursuant to section 154.7(a)(7) of the Commission's regulations, Midwestern has not identified any additional waivers of the Commission's regulations needed to permit its filing to become effective as proposed; however, Midwestern respectfully requests that, should the Commission determine that any such waivers are required, the Commission grant such waivers as are necessary in order that the revised Tariff record may be made effective as proposed.

Service and Correspondence

The undersigned certifies that a copy of this filing has been served electronically pursuant to section 154.208 upon Midwestern's customers and affected state regulatory commissions.⁵

A paper copy of this filing may only be served if a customer has been granted waiver of electric service pursuant to 18 C.F.R. Part 390 of the Commission's regulations. Additionally, a copy of this filing is available for public inspection during regular business hours at Midwestern's office at 101 One Williams Center, 33rd Floor, Tulsa, Oklahoma 74172.

Pursuant to sections 385.2005⁶ and 385.2011(c)(5)⁷ of the Commission's regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best knowledge and belief of the undersigned.

⁴ 18 C.F.R. § 154.7(a)(6).

⁵ 18 C.F.R. § 154.208.

⁶ 18 C.F.R. § 385.2005.

⁷ 18 C.F.R. § 385.2011(c)(5).

DT Midstream, Inc.
500 Woodward Ave.
Suite 2900
Detroit, MI 48226

In accordance with Rule 2010 of the Commission's regulations,⁸ the names, titles, and mailing addresses of the person to whom correspondence and communications regarding this filing should be directed is provided below. Additionally, service via email is requested in lieu of paper copies.

E. Adina Owen Assistant General Counsel II DT Midstream, Inc. 600 Travis Street, Suite 3250 Houston, Texas 77002 (832) 712-5554 Email: regulatory@dtmidstream.com	Faren Bartholomew Bracewell LLP 2001 M Street, NW Washington, DC 20001 (202) 828-5814 Email: Faren.Bartholomew@bracewell.com
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Any questions regarding this filing may be directed to E. Adina Owen, Assistant General Counsel II, at (832) 712-5554 or adina.owen@dtmidstream.com.

Respectfully submitted,

/s/ E. Adina Owen

E. Adina Owen
Assistant General Counsel II
DT Midstream, Inc.
600 Travis St, Suite 3250
Houston, TX 77002

Attachments

⁸ 18 C.F.R. § 385.2010.

Appendix A

Clean Tariff Record

FERC GAS TARIFF
VOLUME NO. 1
OF
MIDWESTERN GAS TRANSMISSION COMPANY
FILED WITH THE
FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed to:

E. Adina Owen
Assistant General Counsel II
E-mail: regulatory@dtmidstream.com; adina.owen@dtmidstream.com
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Web Address: www.dtmidstream.com/company/customers

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SYSTEM MAP

Midwestern's System Map may be viewed and downloaded at <https://dtmidstream.com/company/customers>, by selecting "Midwestern (MGT) Informational Postings" then "Maps."

RATE SCHEDULE FT-A
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on the Mainline on a firm basis by Company for any Customer.

Mainline shall be defined as the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service contracted shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity for the Transportation Path set forth in Exhibit A of the FT-A Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines firm capacity is available on the Mainline to any Customer in the order in which each Customer has fulfilled the requirements of Section 3 below.

2.2 Service shall be allocated and scheduled pursuant to Subsections 3.7, 3.8 and Section 15 of the General Terms and Conditions of Company's FERC Gas Tariff. However, service may be curtailed for any of the reasons set out in Section 10 of the General Terms and Conditions of Company's FERC Gas Tariff or whenever necessary to maintain gas quality or the integrity of Company's system.

2.3 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

3.1 All Customers requesting firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

3.2 All Customers requesting firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-A (FT-A Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity, any Receipt Point on Company's Mainline shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity, any Delivery Point on Company's Mainline shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

On any given day, quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity under the Customer's FT-A Agreement at any mainline location.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-A are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-A Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer, that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-A Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer, unless the parties have executed an FT-A Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedule LMS and Sections 3.9 and 39 of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Mainline shall be the Rate Schedule IT - Eastern Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to.

(a) Demand Charge

A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-A Agreement.

(b) Commodity Charge

The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and

(c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-A Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-B
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on the Eastern Mainline on a firm basis by Company for any Customer.

The Eastern Mainline shall be defined as the approximate 30.9 miles of 16-inch diameter pipeline commencing at Company's existing mainline compressor station located near Portland, Tennessee and traversing southeasterly to two (2) interstate pipeline interconnections with 1) Columbia Gulf Transmission Company and 2) East Tennessee Natural Gas Company located near Hartsville, Tennessee in Trousdale County, Tennessee.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service rendered shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity set out in the FT-B Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines firm capacity is available on the Eastern Mainline to any Customer in accordance with the requirements of Section 3 below.

2.2 Service shall be allocated and scheduled pursuant to Subsection 3.7 and Section 15 of the General Terms and Conditions. However, service may be curtailed for any of the reasons set out in Section 10 of the General Terms and Conditions.

2.3 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

3.1 All Customers requesting firm transportation service under this Rate Schedule must qualify pursuant to the applicable Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

3.2 All Customers requesting firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-B (FT-B Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity, any Receipt Point on Company's Eastern Mainline shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity, any Delivery Point on Company's Eastern Mainline shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

Quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity of the Transportation Path specified in Exhibit A of Customer's FT-B Agreement.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-B are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-B Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions and Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-B Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer, unless the parties have executed an FT-B Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedule LMS and Sections 3.9 and 39 of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Eastern Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Eastern Mainline shall be the Rate Schedule IT - Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Eastern Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and for gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

(a) Demand Charge

A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-B Agreement.

(b) Commodity Charge

The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and

(c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-B Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-C
FIRM TRANSPORTATION SERVICE (Conditional)

1. AVAILABILITY

This Rate Schedule is available for the conditional firm transportation of natural gas by Company for any Customer on the Mainline.

Mainline shall be defined as the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.

The Transportation Paths for service under this Rate Schedule shall be limited to southbound flows between the receipt point at the existing Panhandle Scotland interconnect (at approximately milepost 231.53), and the delivery point at Portland Tennessee (at approximately milepost 0) (the "Scotland-Portland Segment"), and as may be further specified in Exhibit A of the FT-C Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service contracted shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity for the Transportation Path set forth in Exhibit A of the FT-C Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines conditional firm capacity is available on the Mainline to any Customer in the order in which each Customer has fulfilled the requirements of Section 3 below.

2.2 Company shall provide service under Rate Schedule FT-C transportation by means of a turbine compressor engine located at Company's Paris, Illinois compressor station (together with any replacement engine, the "Paris Turbine") from a receipt point at the existing Panhandle Scotland interconnect point to a delivery point at Portland, Tennessee, including all intermediate points. The Paris Turbine is subject to air emissions restrictions that prevent Company from operating it more than 6090 hours during any rolling twelve (12) month period. FT-C Service is subject to curtailment (an "FT-C Curtailment") when such interruption is due to a shutdown of the Paris Turbine to avoid exceeding this operating limit. Any other interruption or curtailment (including those arising from shutdown of the Paris Turbine for other reasons) of firm service due to force majeure or otherwise would apply to all affected firm service equally and would not be an FT-C Curtailment, as defined above. For purposes of determining demand charge credits only (and without affecting the allocation of capacity among Customers), if an FT-C Curtailment occurs concurrently with another cause of curtailment (e.g., a force majeure event or planned maintenance), the curtailment shall be deemed to be a non-FT-C Curtailment to the extent the other cause increased the curtailment. To the extent either the FT-C Curtailment or the other cause independently would have been sufficient to cause the curtailment, the curtailment shall, for purposes of determining demand charge credits only, be deemed to be:

(a) an FT-C Curtailment if the FT-C Curtailment was in effect when the other cause of curtailment took effect; or

(b) a non-FT-C Curtailment otherwise.

2.3 Service shall be allocated and scheduled pursuant to Subsections 3.7, 3.8 and Section 15 of the General Terms and Conditions of Company's FERC Gas Tariff. However, service may be curtailed pursuant to an FT-C Curtailment or for any of the reasons set out in Section 10 of

the General Terms and Conditions of Company's FERC Gas Tariff or whenever necessary to maintain gas quality or the integrity of Company's system.

- 2.4 To assist Customers in tracking the potential for FT-C Curtailment, the Company shall post, on the 15th day of every month, a report on the actual turbine compressor runtime hours of the preceding eleven month(s).
- 2.5 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

- 3.1 All Customers requesting conditional firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.
- 3.2 All Customers requesting conditional firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-C (FT-C Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Receipt Point on the Scotland-Portland Segment, shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Delivery Point on the Scotland-Portland Segment shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

On any given day, quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity under the Customer's FT-C Agreement at any Mainline location.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions

permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-C are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-C Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-C Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer and all other applicable charges and surcharges specified on the effective Summary of Rates and Charges in Company's FERC Gas Tariff, unless the parties have executed a FT-C Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedule LMS and Sections 3.9 and 39 of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Mainline shall be the Rate Schedule IT - Eastern Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

(a) Demand Charge

A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-C Agreement.

(b) Commodity Charge

The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and

(c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-C Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-D
FIRM TRANSPORTATION SERVICE (Conditional)

1. AVAILABILITY

This Rate Schedule is available for the conditional firm transportation of natural gas by Company for any Customer on the Mainline.

Mainline shall be defined as the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.

The Transportation Paths for service under this Rate Schedule shall be limited to southbound flows only, and as may be further specified in Exhibit A of the FT-D Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service contracted shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity for the Transportation Path set forth in Exhibit A of the FT-D Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines conditional firm capacity is available on the Mainline to any Customer in the order in which each Customer has fulfilled the requirements of Section 3 below.

2.2 Company shall provide southbound service under Rate Schedule FT-D transportation by means of a turbine compressor engine located at Company's Paris, Illinois compressor station (together with any replacement engine, the "Paris Turbine"). The Paris Turbine is subject to air emissions restrictions that prevent Company from operating it more than 6,090 hours during any rolling twelve (12) month period. FT-D Service is subject to curtailment (an "FT-D Curtailment") when such interruption is due to a shutdown of the Paris Turbine to avoid exceeding this operating limit. Any other interruption or curtailment (including those arising from shutdown of the Paris Turbine for other reasons) of firm service due to force majeure or otherwise would apply to all affected firm service equally and would not be an FT-D Curtailment, as defined above. For purposes of determining demand charge credits only (and without affecting the allocation of capacity among Customers), if an FT-D Curtailment occurs concurrently with another cause of curtailment (e.g., a force majeure event or planned maintenance), the curtailment shall be deemed to be a non-FT-D Curtailment to the extent the other cause increased the curtailment. To the extent either the FT-D Curtailment or the other cause independently would have been sufficient to cause the curtailment, the curtailment shall, for purposes of determining demand charge credits only, be deemed to be:

(a) an FT-D Curtailment if the FT-D Curtailment was in effect when the other cause of curtailment took effect; or

(b) a non-FT-D Curtailment otherwise.

2.3 Service shall be allocated and scheduled pursuant to Subsections 3.7, 3.8 and Section 15 of the General Terms and Conditions of Company's FERC Gas Tariff. However, service may be curtailed pursuant to an FT-D Curtailment or for any of the reasons set out in Section 10 of the General Terms and Conditions of Company's FERC Gas Tariff or whenever necessary to maintain gas quality or the integrity of Company's system.

2.4 To assist Customers in tracking the potential for FT-D Curtailment, the Company shall post, on the 15th day of every month, a report on the actual turbine compressor runtime hours of the preceding eleven month(s).

2.5 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

3.1 All Customers requesting conditional firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

3.2 All Customers requesting conditional firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-D (FT-D Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Receipt Point on the Mainline, shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Delivery Point on the Mainline shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

On any given day, quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity under the Customer's FT-D Agreement at any Mainline location.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-D are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-D Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer, that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-D Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer and all other applicable charges and surcharges specified on the effective Summary of Rates and Charges in Company's FERC Gas Tariff, unless the parties have executed an FT-D Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedule LMS and Sections 3.9 and 39 of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Mainline shall be the Rate Schedule IT - Eastern Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

- (a) Demand Charge
A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-D Agreement.
- (b) Commodity Charge
The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and
- (c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-D Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-GS
FIRM TRANSPORTATION SERVICE
SMALL CUSTOMERS

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on a firm basis by Company for any Customer:

- (a) that was a sales customer under former Rate Schedule SR-1 or SR-T on May 18, 1992 and converted such sales service under former Rate Schedules SR-1 or SR-T to firm transportation service in connection with restructuring pursuant to Order No. 636 of the FERC; and
- (b) that requests a Transportation Quantity equal to or less than 5,233 Dekatherms per day; and
- (c) that completes a valid request for service and executes a Firm Gas Transportation Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation service hereunder will be firm, except as provided herein and in the General Terms and Conditions.
- 2.2 A Customer executing a service agreement under this Rate Schedule shall have a Transportation Quantity equal to the Maximum Daily Obligation contained in the Customer's former service agreement under Rate Schedule SR-1 or SR-T, as adjusted for any permanent assignment of capacity.
- 2.3 A Customer executing a service agreement under this Rate Schedule has the right to make an election to convert its service in its entirety to firm transportation service under Rate Schedule FT-A by providing written notice of such election on or before June 1 of any year. Such conversion shall be effective as of the following November 1.
- 2.4 A Customer executing a service agreement under this Rate Schedule shall not be entitled to receive for its account gas transported under Rate Schedules FT-A or IT or any transportation capacity released pursuant to Company's capacity release mechanism as specified in Section 21 of the General Terms and Conditions of Company's FERC Gas Tariff unless the Customer is receiving a quantity of gas under Rate Schedule FT-GS equal to its Transportation Quantity. However, if there is a separate meter for an end-user behind an FT-GS Customer, IT or FT-A gas quantities may be delivered to the end-user pursuant to an IT or FT-A Agreement between Company and the end-user.
- 2.5 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. QUALIFICATIONS FOR SERVICE

- 3.1 All Customers requesting firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.
- 3.2 All Customers requesting firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use pursuant to Rate Schedule FT-GS (FT-GS Agreement) in

accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity, any Receipt Point on Company's system shall be eligible to be designated as a Primary Receipt Point in Customer's FT-GS Agreement. If the capacity at such Receipt Point is insufficient to serve all Customers requesting the point, receipt quantities for that point shall be allocated in accordance with Subsection(s) 3.7, 3.8 and Section 15 of the General Terms and Conditions. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Customer's Delivery Points shall be the interconnection(s) of Company's system and Customer's system, or the Delivery Point(s) specified in Customer's former SR-1 or SR-T Agreement.

4.3 Uniform Quantities

As nearly as practicable, Customer shall deliver and receive gas in uniform hourly quantities during the day. However, Company may, on a best efforts basis and if operational conditions permit, allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under Rate Schedule FT-GS are rates shown on the effective Summary of Rates and Charges; provided, however, Company and Customer may enter into a discounted rate or negotiated rate FT-GS Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer that Company incurs in establishing or

rendering service. Company shall not use the amounts so collected (as either costs or revenues) in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-GS Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advance approval of Company. For all Authorized Overrun gas quantities, the Customer shall pay Company the applicable Maximum Commodity Rate per Dekatherm under this Rate Schedule, unless the parties have executed an FT-GS Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedule LMS and Sections 3.9 and 39 of the General Terms and Conditions specified in Company's FERC Gas Tariff.

6. FUEL AND LOSSES

Customer shall provide to Company, at no cost to Company, the quantity of gas required for system fuel use and gas lost and unaccounted for associated with rendering transportation service pursuant to this Rate Schedule. Since fuel reimbursement is in kind, the standard fuel calculation mechanism, as this is related to the nomination process, shall be $(1 - \text{fuel \%} / 100)$ multiplied by receipt quantity (in Dekatherms) = delivery quantity (in Dekatherms). [1.3.16] The applicable percentage is shown in the Summary of Rates and Charges.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

- (a) Commodity Charge: The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and
- (b) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume 1 of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-GS Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on the Mainline and Eastern Mainline on an interruptible basis by Company to any Customer:

- (a) that makes a valid request pursuant to Section 3 hereof and executes an Interruptible Transportation Agreement (IT Agreement); and
- (b) to the extent that capacity is available on Company's system from time to time for the delivery of gas to Company and the redelivery by Company for the account of Customer.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 The service rendered hereunder shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the maximum interruptible quantity set out in the IT Agreement, subject to the availability of capacity sufficient to provide the service without detriment or disadvantage to Company's firm transportation Customers. Service hereunder is fully interruptible to the extent necessary to provide firm transportation service.
- 2.2 Interruption of service includes decreasing, suspending, or discontinuing either the receipt or delivery of gas. Interruption and the allocation of available interruptible capacity shall be in accordance with Subsection(s) 3.7 and 3.8 of the General Terms and Conditions. Company may also interrupt service to any Customer whenever necessary to maintain gas quality or the integrity of Company's system.
- 2.3 Company shall not be required to install, operate or maintain any additional facilities in order to provide transportation service under this Rate Schedule.

3. QUALIFICATION FOR SERVICE

- 3.1 All Customers requesting interruptible transportation service must qualify pursuant to Section 25 of the General Terms and Conditions of Company's Tariff.
- 3.2 All Customers requesting interruptible transportation service must execute an IT Agreement in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

All Receipt Points on Company's system shall be available for gas transported under this Rate Schedule. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

All Delivery Points on Company's system shall be available for gas transported under this Rate Schedule. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered.

4.3 Uniform Quantities

As nearly as practicable, Customer shall deliver and receive gas in uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rate

The Transportation Rate is the Maximum Rate per Dekatherm as shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or a negotiated rate IT Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (and income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company 100 percent for any filing or similar fees, that have not been previously paid by Customer that Company incurs in establishing or rendering service. Company shall not use the amounts so collected (as either revenues or costs) in establishing its general system rates.

5.5 Imbalance Charge

If Customer takes receipts or deliveries at a point not covered by an Operational Balancing Agreement, then, Company shall charge Customer any applicable charges as provided in Rate Schedule LMS and Section 3.9 of the General Terms and Conditions of Company's FERC Gas Tariff.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the quantity of gas required for system fuel and uses and for gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule. Since fuel reimbursement is in kind, the standard fuel

calculation mechanism, as this is related to the nomination process, shall be $(1 - \text{fuel \%} / 100)$ multiplied by receipt quantity (in Dekatherms) = delivery quantity (in Dekatherms). [1.3.16] The applicable percentage is shown in the Summary of Rates and Charges.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to (i) the Transportation Rate multiplied by the Dekatherms of natural gas delivered for Customer and (ii) if applicable, any charges pursuant to Sections 5 or 6 above.

8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by valid regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any IT Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE LMS
LOAD MANAGEMENT SERVICE

1. AVAILABILITY

Company shall provide balancing services at Receipt Points and Delivery Points to persons (herein referred to as “Balancing Party”) who have executed an Operational Balancing Agreement (“OBA”). A Receipt Point OBA will be available to the operator of connecting facilities at a Receipt Point(s) on Company’s system. A Delivery Point OBA will be available to:

- (a) the operator of connecting facilities at a Delivery Point(s) on Company’s system; and
- (b) a market aggregator (“Aggregator”) who has obtained written consent from Delivery Point operators that imposes responsibility on Aggregator for all scheduling and balancing at stated Delivery Points and that provides authority to Aggregator to change physical flows at stated Delivery Points upon notice from Company to the Aggregator.

2. APPLICABILITY AND CHARACTER OF SERVICE

The terms, conditions and charges set forth in this Rate Schedule shall apply to all gas flowing through meters covered by an OBA. A Delivery Point OBA may include all Delivery Points controlled by a single Balancing Party except that no OBA may cover Delivery Points under more than one firm transportation rate schedule. An Aggregator’s Delivery Point OBA may include any Delivery Point where the maximum deliveries at any such point do not exceed 5,233 Dekatherms on any day.

3. SCHEDULING AND CONFIRMATION BY BALANCING PARTY

The Balancing Party will confirm nominations of the quantities to be received at Receipt Points or delivered at Delivery Points. The Balancing Party will notify affected Customers via the System by entering confirmations into the System, which are available for viewing by Customers, within the time specified in Section 3.6.1 of the General Terms and Conditions of any change in a nomination by Customer to Scheduled Quantities.

Company agrees to perform as a Delivery Point operator on other pipelines’ systems at its existing points of interconnection with other pipelines to the extent necessary and agreed to by the other pipeline(s). To the extent Company incurs any imbalance charges, cash-outs, or penalties on such other pipelines, all such expenditures, except where negligently incurred by Company, shall be borne by Balancing Parties that are out of balance on Company’s system in proportion to each Balancing Party’s imbalance related to such other pipelines.

4. IMBALANCE NETTING AND TRADING

- (a) Based upon the best information available, a Balancing Party shall take action to correct any imbalances occurring during the month by making adjustments in nominations, receipts or deliveries. If a Balancing Party fails to take such corrective action, then Company may, upon 48 hours notice, adjust Balancing Party’s scheduled receipts and deliveries over the remainder of the calendar month in order to maintain a balance of receipts, deliveries and nominations.
- (b) Balancing Parties under this Rate Schedule and Supply Aggregators under Rate Schedule SA will be allowed to trade imbalances occurring during the month with other Parties that are subject to this Rate Schedule.

Mid-Month Trading

All imbalance trading occurring during the month that the imbalance(s) occurred must be effected through the nomination of mid-month make-up gas quantities. Any “receipt-to-delivery” imbalance trade may be effected by a Party nominating transportation from a point covered on its OBA or Rate Schedule SA Agreement to a point on another Agreement where the trade will occur. A “receipt-to-delivery” imbalance trade is defined as any imbalance trade between a Party under this Rate Schedule and another Party under this Rate Schedule whereby one Party under this Rate Schedule is trading an excess of actual deliveries relative to Scheduled Quantities with an excess of actual receipts relative to Scheduled Quantities incurred by the other Party under this Rate Schedule.

End-of-Month Trading

Balancing Parties and Supply Aggregators will also be allowed to trade offsetting imbalances in the month following the month during which the imbalance occurred; provided that the Party notifies Company of the identities of the Parties agreeing to the trade, and the gas quantities to be traded, no later than seventeen (17) Business Days after the end of the month during which the imbalances occurred. For receipt-to-delivery imbalance trades after the month during which the imbalances occurred, the Parties agreeing to the trade must notify Company of the Party responsible for the transportation from point to point. If the Parties do not notify Company of the Party responsible for transportation, Company will hold the Party who traded the imbalance due Company responsible for the applicable transportation charges. To facilitate end-of-month imbalance trading, Company will provide for Parties to post their imbalances, and any information relevant to the trading thereof, on the System.

For mid-month and end-of-month trading, transportation charges for receipt-to-delivery imbalance trades will be based on the applicable maximum authorized overrun rate associated with Company’s Rate Schedule(s) FT-A, FT-B, FT-C or FT-D.

When a netting and trading transaction results in an overpayment of transportation charges, Company shall reimburse the affected Customer the excess transportation charges in the subsequent billing cycle.

5. DAILY IMBALANCE CHARGE

5.1 Applicability

(a) Single Point of Interconnection Under LMS Agreement

A Balancing Party shall be subject to a potential Daily Imbalance Charge if

- (i) Company lacks the ability to physically control delivered quantities to the Balancing Party at such interconnect, or
- (ii) Company has the ability to physically control delivered quantities to the Balancing Party at such interconnect but the capability has been disabled pursuant to a request by the Balancing Party, or
- (iii) The Balancing Party either lacks the ability to physically control receipt quantities from Company at such interconnect or utilizes its physical flow control capability to deviate from the current total scheduled nomination at such interconnect without Company’s consent.

(b) Multiple Points of Interconnection Under LMS Agreement

A Balancing Party shall be subject to a potential Daily Imbalance Charge if

- (i) Company lacks the ability to physically control delivered quantities to the Balancing Party at all of the interconnects specified in the Balancing Party's LMS Agreement, or
- (ii) Company has the ability to physically control delivered quantities to the Balancing Party at one or more of the interconnects specified in the Balancing Party's LMS Agreement but the capability has been disabled at such location(s) pursuant to a request by the Balancing Party, or
- (iii) Company lacks the ability to physically control delivered quantities to the Balancing Party at the specific interconnect designated to assume the imbalances by the Balancing Party (balancing "swing" interconnect) under the Balancing Party's LMS Agreement, or
- (iv) The Balancing Party lacks the ability to physically control receipt quantities from Company at any of the interconnects specified in the Balancing Party's LMS Agreement, or
- (v) The Balancing Party utilizes its physical flow control capability at one or more interconnect locations specified in the Balancing Party's LMS Agreement to deviate from the current aggregate scheduled nomination for such interconnects without Company's consent.

(c) Listing of Balancing Parties Subject to Potential Daily Imbalance Charge

Company shall maintain a list on its Informational Postings web site of the Balancing Parties that are potentially subject to a Daily Imbalance Charge under Rate Schedule LMS.

Company shall revise such posting within a Gas Day if the applicability of the Daily Imbalance Charge for a given Balancing Party changes due to change in flow control status at one or more interconnects under the Balancing Party's LMS Agreement.

In addition, Company shall notify a Balancing Party listed pursuant to this Subsection, by phone, of any status change related to the applicability of the Daily Imbalance Charge at the time such change is made.

The amount of Balancing Party's imbalance at the end of a Gas Day will determine if the Daily Imbalance Charge is potentially applicable to such Balancing Party.

5.2 Calculation

(a) Net Pipeline Position

By 12 Noon CCT each day, Company shall provide on its Informational Postings web site a notice of the net pipeline position on Company's pipeline system for the previous Gas Day.

The net pipeline position is the sum of the total positive and negative Cumulative Imbalances, based on SCADA data, at all Balancing Party interconnections subject to the Daily Imbalance Charge for such Gas Day under Rate Schedule LMS.

A positive net pipeline position indicates that gas has been stored on Company's pipeline and is due others. A negative net pipeline position indicates that gas is due Company.

Company will post a notice that the Daily Imbalance Charge will not be applicable for a given Gas Day, if Company determines that insufficient accurate SCADA data exist for such Gas Day to calculate a net pipeline position.

(b) Allowable Swing Quantity (ASQ)

The Balancing Party's ASQ for a given Gas Day is the greater of (1) 1,000 Dekatherms or (2) 10 percent of the highest daily Scheduled Quantity at such designated interconnect(s) during the prior fifteen (15) days.

On a given Gas Day, a Balancing Party may take gas in excess of Scheduled Quantities or not take delivery of all Scheduled Quantities at the interconnect(s) listed under the Balancing Party's LMS Agreement up to its ASQ.

(c) Imbalance Tolerance Bandwidth - 110 to 120 Percent

On a Gas Day that the net pipeline position exceeds plus or minus 25,000 Dekatherms, any Balancing Party subject to the Daily Imbalance Charge under this Rate Schedule, whose Cumulative Imbalance is (1) equal to or greater than 110 percent but less than 120 percent of that Balancing Party's ASQ and (2) has a Cumulative Imbalance in the same direction (positive or negative) as the net pipeline position, will be notified by Company of its Daily Imbalance position no later than 5:00 p.m. CCT the following Gas Day.

If the notified Balancing Party fails to take corrective action during the Gas Day following Company's Daily Imbalance position notice pursuant to this Subsection, such Balancing Party shall be assessed a Daily Imbalance Charge per Dekatherm equal to two times the currently effective maximum rate under Tennessee Gas Pipeline Company's Rate Schedule PAL. The Daily Imbalance Charge under this Subsection shall apply only to those quantities of the Cumulative Imbalance that are equal to or greater than 110 percent but are less than 120 percent of the Balancing Party's ASQ.

(d) Imbalance Tolerance Bandwidth - 120 Percent or Greater

On a Gas Day that the net pipeline position exceeds plus or minus 25,000 Dekatherms, any Balancing Party subject to the Daily Imbalance Charge under this Rate Schedule whose Cumulative Imbalance is (1) equal to or greater than 120 percent of that Balancing Party's ASQ and (2) has a Cumulative Imbalance in the same direction (positive or negative) as the net pipeline position will be notified by Company of its Daily Imbalance position no later than 5:00 p.m. CCT the following Gas Day.

If the notified Balancing Party fails to take corrective action during the Gas Day following Company's Daily Imbalance position notice pursuant to this Subsection, such Balancing Party shall be assessed a Daily Imbalance Charge per Dekatherm equal to four times the currently effective Maximum Rate under Tennessee Gas Pipeline Company's Rate Schedule PAL. The Daily Imbalance Charge under this Subsection shall apply only to those quantities of the Cumulative Imbalance that are equal to or in excess of 120 percent of the Balancing Party's ASQ.

5.3 Treatment of Revenue

All amounts invoiced and collected by Company as payment of Daily Imbalance Charges assessed under this Rate Schedule, net of incremental administrative charges (including costs that Company incurs in making such sales pursuant to Section 22 of the General Terms and Conditions), will be treated as LMS penalties and shall be allocated by Company to Balancing Parties using the methodology set forth in Subsection 23.2 of the General Terms and Conditions.

6. MONTHLY IMBALANCES

- (a) A Balancing Party's monthly imbalance shall be the net total of Daily Imbalances from all points covered by the Receipt Point OBA and/or Delivery Point OBA. Unless Company and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Company and Balancing Party shall "cash out" any imbalance between receipts and Scheduled Quantities at Receipt Points covered by a Receipt Point OBA. Unless Company and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Company and Balancing Party shall "cash out" any imbalance between deliveries and Scheduled Quantities at Delivery Points covered by a Delivery Point OBA. Company shall divide the monthly imbalance by the sum of the Scheduled Quantities for all days of the month for all points covered by the OBA to determine the monthly imbalance percentage to be cashed out as set forth below.
- (b) If the monthly imbalance percentage is due to a deficiency of deliveries relative to Scheduled Quantities, or an excess of receipts relative to Scheduled Quantities, Company shall pay the Balancing Party in accordance with Schedule A below. If the monthly imbalance percentage is due to an excess of deliveries relative to Scheduled Quantities, or due to a deficiency in receipts relative to Scheduled Quantities, the Balancing Party shall pay Company in accordance with Schedule B below. Notwithstanding the above, a monthly imbalance that is less than 1000 Dekatherms shall be cashed out at the 0-5 percentage level. In addition to correcting the monthly imbalance in cash, the Balancing Party shall pay to Company the "Transportation Component" if deliveries are greater than Scheduled Quantities, or Company shall pay to Balancing Party the "Transportation Component" if deliveries are less than Scheduled Quantities.

The "Transportation Component" shall be equal to:

- (i) Company's commodity rate under Rate Schedule(s) FT-A, FT-B, FT-C, FT-D or FT-GS, as applicable, multiplied by the monthly imbalance, plus
- (ii) an additional amount to cover Company's cost of gas for the system fuel use and lost and unaccounted for gas.

The additional amount shall be calculated by multiplying the Index Price by the amount of fuel necessary to transport the imbalance on the Company's system.

Schedule A

<u>Monthly Imbalance Percentage</u>	<u>Company Pays Balancing Party the Following Percent of the Index Price</u>
0-5%	100%
>5-10%	85%
>10-15%	70%
>15-20%	60%
>20%	50%

Schedule B

<u>Monthly Imbalance Percentage</u>	<u>Balancing Party Pays Company the Following Percent of the Index Price</u>
0-5%	100%
>5-10%	115%
>10-15%	130%
>15-20%	140%
>20%	150%

The Index Price shall be the monthly average of the daily, midpoint Tennessee, 500 Leg price as published in the “Daily price survey” of *Platts Gas Daily* for the month. The Index Price shall be posted on the System in a reasonable time after receipt of the final “Daily price survey” for the month. If the “Daily price survey” of *Platts Gas Daily* is no longer published, Company shall use an alternative publication to determine the spot price indices for calculation of the Index Price. Company shall allocate “cash-outs” with other upstream pipelines according to the same formula.

For the purpose of determining the level at which a Balancing Party’s imbalance shall be cashed out, if a Balancing Party has an imbalance outside a given tolerance level, the escalating or declining percentage of the Index Price will apply only to the portion of the imbalance outside of the tolerance level.

The amounts due hereunder shall be paid in accordance with Sections 5 and 6 of the General Terms and Conditions of Company’s FERC Gas Tariff.

(c) Access to Information

Company will make available by electronic means the best information it has concerning the scheduled deliveries at all Delivery Points. This information regarding the scheduled deliveries shall become “Operational Data” and Balancing Parties will be able to utilize the Operational Data for purposes of correcting imbalances during the month. Monthly imbalances will be cashed out on the basis of actual deliveries and Scheduled Quantities; provided that the penalty level and pricing associated with imbalances will be based upon the lesser of (1) the monthly operational imbalance reported by Company based upon the Operational Data or (2) the monthly imbalance based upon actual receipts and deliveries at such locations.

(d) Limitation on Charges

Any imbalances caused by an event as set forth in Section 10 of the General Terms and Conditions, or by Company's actions (including providing the Balancing Party inaccurate balancing information) or by Balancing Party's compliance with an OFO issued pursuant to Section 8 of the General Terms and Conditions, will not be included in the calculation of the total monthly imbalance for purposes of determining the appropriate cash-out level and will be cashed out at the 0-5 percent tolerance level, as set forth in Subsection 6(b) above.

(e) Operational Integrity

Nothing in this Section 6 shall limit Company's right to take action as may be required to adjust receipts and deliveries of gas in order to alleviate conditions that threaten the integrity of its system.

(f) Disposition of Charges

At the conclusion of each annual period, Company will determine the net cashout activity in accordance with Section 39 of the General Terms and Conditions.

7. GENERAL TERMS AND CONDITIONS

Balancing Party shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any Receipt Point OBA or Delivery Point OBA are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RESERVED FOR FUTURE USE

1. DEFINITIONS

Except where the context expressly states another meaning, the following terms when used in this Tariff and in any service agreement incorporating this Tariff, shall be construed to have the following meanings:

- o The term "ACA" shall mean the Annual Charge Rate Adjustment described in Section 18 of these General Terms and Conditions.
- o The term "Account Holder" shall mean a party using the services of a Title Transfer Tracking Service Provider.
- o The term "Balanced Point" shall mean a nominatable non-physical point on Company's system that facilitates the aggregation of quantities of gas to be delivered at a Variable Load Point with quantities of gas to be delivered at certain agreed upon physical interconnections under Rate Schedule TPB. Any operational imbalance is recognized at the Balanced Point.
- o The term "Balancing Party" shall mean any person that has entered into an Operational Balancing Agreement with Company.
- o The term "Balancing Provider" is a party performing a third-party balancing service pursuant to Rate Schedule TPB.
- o The term "Bidder" shall mean any Person that submits a Bid for released transportation capacity pursuant to the terms of Section 21 of these General Terms and Conditions.
- o The term "Billing Commencement Date" shall mean the date when a Customer's service and payment obligation commences. The Billing Commencement Date for any Customer receiving transportation as a result of placing into service the construction of new facilities shall occur when Company informs such Customer by at least one day's notice that there is capability, to receive gas at Customer's Receipt Point and to make related deliveries of gas at Customer's Delivery Point, all in accordance with the provisions of Customer's transportation agreement.
- o The term "British thermal unit" or "Btu" shall mean the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at a standard pressure of 14.73 dry psia at 60 degrees Fahrenheit.
- o The term "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico. [3.2.1]
- o The terms "Central Clock Time" and "CCT" shall mean Central Daylight Time when daylight savings time is in effect and Central Standard Time when daylight savings time is not in effect.
- o The term "Company" shall mean Midwestern Gas Transmission Company, a "Service Provider" pursuant to NAESB WGQ Standards.
- o The term "Commission" and "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory authority having jurisdiction over Company under the Natural Gas Act or supervening legislation.
- o The term "Critical System Wide Notices" shall mean information concerning Company's facilities that affects scheduling or adversely affects scheduled gas flow.

- o The term "Cubic Foot" shall mean the quantity of gas that occupies one cubic foot when such gas is at a temperature of 60 degrees Fahrenheit, and at a pressure of 14.73 pounds per square inch absolute (psia).
- o The term "Customer" shall mean any party (such as a Balancing Party) delivering gas into Company's system and any Person, other than Company, receiving a service subject to the provisions of this FERC Gas Tariff or that is a party to an agreement subject to the provisions of this FERC Gas Tariff.
- o The term "Customer Activities" shall mean the business function categories related to Nominations, Flowing Gas, Invoicing, Capacity Release, Contracts, and other business functions on industry Web sites. [4.2.10]
- o The term "day" or "Gas Day" shall mean a period of twenty-four consecutive hours beginning and ending at 9:00 a.m. CCT. The reference date for any day shall be the date of the beginning of such day. [1.3.1]
- o The term "Dekatherm" shall mean 1,000,000 Btu's. The standard quantity for nominations, confirmation and scheduling is Dekatherms per Gas Day in the United States, gigajoules per Gas Day in Canada and Mexico, and gigacalories per Gas Day in Mexico for transactions that occurred prior to the enactment of Mexico Resolution RES/267/2006 dated September 7, 2006. (For reference 1 Dekatherm = 1,000,000 Btu's; 1 gigajoule = 1,000,000,000 joules; and 1 gigacalorie = 1,000,000,000 calories.) For commercial purposes, the standard conversion factor between Dekatherms and gigajoules is 1.055056 gigajoules per Dekatherm and between Dekatherms and gigacalories is 0.251996 gigacalories per Dekatherm. The standard Btu is the International Btu, which is also called the Btu (IT); the standard joule is the joule specified in the SI system of units. [1.3.14]
- o The term "Delivery Point(s)" shall mean the point or points listed on Company's Informational Postings web site for delivery of gas for the account of Customer.
- o The term "Eastern Mainline" shall mean the approximate 30.9 miles of 16-inch diameter pipeline commencing at the Company's existing mainline compressor station located near Portland, Tennessee and traversing southeasterly to two (2) interstate pipeline interconnections with 1) Columbia Gulf Transmission Company and 2) East Tennessee Natural Gas Company located near Hartsville, Tennessee in Trousdale County, Tennessee.
- o The term "Elapsed Prorata Capacity" or "EPC" shall mean that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity. [5.2.3]
- o The term "Equivalent Quantity" unless otherwise stated in the transportation agreement shall mean, that during any given period of time, the quantities of gas delivered hereunder at the Delivery Point(s) shall be the thermal equivalent of the quantities of gas received at the Receipt Point(s) for transportation less thermal quantities of gas for Customer's system fuel use and gas lost and unaccounted for associated with transportation service.
- o The term "In-Direction" shall mean a firm nomination line item that has a nominated flow direction in the same direction as the Service Requester's current Transportation Path.
- o The term "Lending Point" relative to a Customer shall mean the Lending Points as shown or referenced on Exhibit A to such Customer's PAL Agreement where such Customer can borrow gas quantities on Company's system pursuant to such PAL Agreement.

- o The term "Mainline" shall mean the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.
- o The term "Maximum Balancing Quantity" shall mean the maximum Dekatherms per day quantity of gas authorized by Balancing Provider to Company to deliver to the Variable Load Point on an instantaneous basis as detailed on Exhibit A of the Third Party Balancing Service Agreement.
- o The term "Maximum Park and Loan (PAL) Quantity" shall mean the Dekatherms per day of gas shown as the Maximum Park and Loan (PAL) Quantity that is relative to the Parking Points and Lending Points shown on Exhibit A to a Customer's PAL Agreement.
- o The term "Maximum Rate" shall mean the applicable maximum rates listed on the Summary of Rates and Charges in Company's FERC Gas Tariff as such rates may change from time to time subject to Commission approval. The Maximum Rate may include a Maximum Demand Rate and/or a Maximum Commodity Rate.
- o The term "Mcf" shall mean 1,000 Cubic Feet of gas.
- o The term "Minimum Rate" shall mean the applicable minimum rates listed on the Summary of Rates and Charges in Company's FERC Gas Tariff as such rates may change from time to time subject to Commission approval.
- o The term "month" shall mean the period beginning at 9:00 a.m. CCT on the first day of the calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- o The term "Monthly Cash Out" shall mean payment pursuant to Section 6 of Company's Rate Schedule LMS.
- o The term "NAESB" shall mean the North American Energy Standards Board. The term "WGQ" shall mean Wholesale Gas Quadrant.
- o The term "Netting" shall describe the process of resolving imbalances for a Customer or its Agent within an Operational Impact Area. [2.2.3]
- o The term "New Facilities Charge" means an amount Company charges Customer to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request.
- o The term "OBA" shall mean Operational Balancing Agreement.
- o The term "Operational Flow Order" or "OFO" is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of Company's system or to maintain operations required to provide efficient and reliable firm service. Whenever Company experiences these conditions, any pertinent order should be referred to as an Operational Flow Order. [1.2.6]
- o The term "Operational Impact Area" shall mean the largest possible area(s) on Company's system in which imbalances have a similar operational effect. For imbalance resolution, Company shall designate its entire pipeline system as a single Operational Impact Area. [2.2.2]

- o The term "Out-of-Direction" shall mean a firm nomination line item that has a nominated flow direction opposite of the Service Requester's current Transportation Path direction.
- o The term "Parking Point" relative to a Customer shall mean the Parking Points as shown or referenced on Exhibit A to such Customer's PAL Agreement where such Customer can park gas quantities on Company's system pursuant to such Agreement.
- o The term "Person" shall mean an individual, a corporation, a limited liability company, a partnership, an association, a joint venture, a trust, an unincorporated organization or a government or political subdivision thereof; and pronouns shall have a similarly extended meaning.
- o The term "Primary Delivery Point" for a given firm transportation agreement shall mean the Delivery Point at which the firm Customer currently has assigned its primary scheduling rights.
- o The term "Primary Receipt Point" for a given firm transportation agreement shall mean the Receipt Point at which the firm Customer currently has assigned its primary scheduling rights.
- o The term "Receipt Point(s)" shall mean the point or points listed on Company's Informational Postings web site for receipt of gas for Customer's account.
- o The term "Release Quantity" shall mean the maximum quantity that a Customer releases under Section 21 of these General Terms and Conditions, whether for temporary or permanent assignment.
- o The term "Releasing Shipper" shall mean any Customer that releases capacity pursuant to the provisions of Section 21 of these General Terms and Conditions.
- o The term "Replacement Shipper" shall mean a Person who has obtained firm transportation capacity from a Releasing Shipper.
- o The term "Scheduled Quantity" or "Scheduled Quantities" shall mean the quantity of natural gas that (i) Customer nominates for receipt at a Receipt Point (including fuel use and gas lost and unaccounted for) or the quantity that Company redelivers to Customer at a Delivery Point; or that (ii) the Balancing Party confirms pursuant to Section 3 of Company's Rate Schedule LMS; or that (iii) Company schedules for receipt or delivery at a Lending Point, Parking Point, SA Point, or Transfer Point.
- o The term "Service Requester" shall mean a Customer or its Nomination Agent (one who has been pre-designated by Customer to serve in such role). If a Customer elects to use a Nomination Agent for a given service agreement, the Nomination Agent replaces the Customer as the sender of the nomination information as well as the receiver of the nomination-related information from Company for such agreement.
- o The term "Stranded Allocated Capacity" shall mean pipeline and/or point capacity that has been allocated by Company to a given Customer in a supported nomination and scheduling cycle that was not fully confirmed by the upstream and/or downstream confirming party(ies).
- o The term "Supply Aggregation Point" (SA Point) shall mean a non-physical point on Company's system which serves as a single location to aggregate nominated quantities of gas received and delivered pursuant to Rate Schedule SA.
- o The term "System" shall mean Company's computer information and scheduling system, accessed through Company's interactive Internet web site or through Electronic Data Interchange. "Electronic Data Interchange" or "EDI" shall mean electronic communication

through means other than Company's System that complies with the Electronic Delivery Mechanism Standards of the North American Energy Standards Board Wholesale Gas Quadrant ("NAESB WGQ").

- o The term "Third Party Account Administrator" is a Title Transfer Tracking Service Provider other than Company. [1.2.17]
- o The term "Title" shall be the term used to identify the ownership of gas. [1.2.13]
- o The term "Title Transfer" shall be the term used to reflect the change of Title to gas between parties at a location. [1.2.14]
- o The term "Title Transfer Nomination" shall mean a nomination line item requesting the service of Title Transfer Tracking and is sent by an Account Holder to a Title Transfer Tracking Service Provider. [1.2.19]
- o The term "Title Transfer Tracking" shall be the process of accounting for the progression of Title changes from party to party that does not effect a physical transfer of gas. [1.2.15]
- o The term "Title Transfer Tracking Service Provider" (TTTSP) shall be a party conducting the Title Transfer Tracking activity. [1.2.16]
- o The term "Total Heating Value," when applied to a cubic foot of gas, shall mean the number of Btu's produced by the complete combustion with air, at constant pressure, of one anhydrous (dry) cubic foot of gas under a pressure of 14.73 psia and a temperature of 60 degrees Fahrenheit and when the products of combustion are cooled to the initial temperature of the gas and air and the water formed by combustion is condensed to the liquid state.
- o The term "Transfer Point" shall be used to describe a point on Company's system where, for purposes of scheduling and nominations, in-line transfers of gas from one transportation agreement to another shall occur.
- o The term "Transportation Path" shall mean the pipeline path and flow direction from and including the farthest Receipt Point to and including the farthest Delivery Point as stated in the Exhibit A for each firm transportation agreement contracted on Company's system.
- o The term "Transportation Quantity" shall mean the quantity of natural gas specified in Customer's Firm Transportation Agreement that Company obligates itself to be ready to transport and deliver each day on behalf of Customer.
- o The term "Variable Load Point" shall be defined as a physical delivery point of interconnection on Company's system directly supplying an end-use market whose load requirements are expected to fluctuate widely during the day, month, or year. An OBA must be executed at a Variable Load Point.
- o The term "Variable Load Point Customer" is a party receiving balancing services from a Balancing Provider under Rate Schedule TPB.
- o The term "volume," where used herein or in a gas service contract, shall mean the number of Mcf adjusted for heat content (in Dekatherms) as applicable.
- o The term "year" shall mean a period of 365 consecutive days; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

3. MEASUREMENT REPORTING AND SCHEDULING OF RECEIPTS AND DELIVERIES

3.1 Reporting Unit of Measurement

The reporting unit for energy quantities transported and used by Company will be Dekatherms at the standardized reporting basis as defined by NAESB WGQ.

3.2 Measurement Reporting

The volume and the Total Heating Value of gas received and delivered by Company shall be determined for all purposes, including invoicing by Company and payment by Customers and LMS parties, on the basis of the electronic measurement equipment installed by Company at receipt and delivery points.

3.2.1 Unit of Volume

The unit of volume, for the purpose of measurement, shall be defined as one cubic foot (1cf) of gas at a temperature of sixty degrees (60) Fahrenheit, and at a pressure of thirty-three hundredths (.33) pounds per square inch above an assumed atmospheric pressure of fourteen and four tenths (14.4) pounds per square inch resulting in a pressure base of (fourteen and seventy-three hundredths (14.73) pounds per square inch absolute pressure).

3.2.2 Determination of Gas Temperature

The temperature of the gas passing through the meters shall be determined, continuously by a recording thermometer so installed that it may properly record the degrees Fahrenheit temperature of the gas flowing through the meters. The arithmetic averages of the temperature recorded each day shall be used in computing the measured volume of gas in Mcf.

3.2.3 Determination of Total Heating Value

The Total Heating Value of the gas per cubic foot (Btu/cf) shall be determined by taking the average of the heating values as determined each day by a chromatograph or the chromatographic analysis of a collected gas sample, or any other method mutually agreed upon.

The average (flow-weighted) heating value of the gas per cubic foot (Btu/cf) for a unit of time shall be determined by the total Dekatherm quantity measured divided by the corresponding total volume of gas, in Mcf, multiplied by 1000.

3.2.4 Determination of Specific Gravity

The specific gravity of the gas delivered shall be determined by the use of chromatographic analysis or any other method mutually agreed upon. Determination of the specific gravity and heating value per cubic foot (Btu/cf) shall be determined at approximately the same time or from the same analyzed gas sample.

3.2.5 Deviation from Boyle's Law

The deviation of the natural gas from Boyle's Law shall be determined by the use of the tables of formulae published by the American Gas Association Par Research Project NX-19 corrected for carbon dioxide (CO₂) and nitrogen (N₂), or any applicable formulae published by the American Gas Association. The molecular percentage of N₂ and CO₂ shall be determined at approximately the same time or from the same analyzed gas sample used for the determination of heating value and shall be used to determine the compressibility factors, with corrections for temperature and pressure.

3.2.6 Calculation of Dekatherm Quantity

The measured Dekatherm quantity of natural gas shall be determined by multiplying the volume of gas in Mcf by the ratio of the heating value per cubic foot to 1,000.

3.3 Measurement Closing

The closing of measurement shall be no later than the fifth (5th) Business Day after the close of the production month.

3.4 Allocation of Receipt and Delivery Point Measurement

3.4.1 Allocation of Receipts Pursuant to Operational Balancing Agreement

Unless prohibited by applicable law or regulation, the Dekatherm quantity of gas received by Company at any receipt point shall be allocated in accordance with the allocation procedures specifically agreed to by Company and the Balancing Party at the receipt point(s) as set forth in the Operational Balancing Agreement governing the point; provided, however, Company will not be required to enter into such arrangements with a party if that party does not meet Company's creditworthiness provisions set forth in Section 25 of the General Terms and Conditions.

3.4.2 Allocation of Deliveries Pursuant to the Operational Balancing Agreement

Unless prohibited by applicable law or regulation, the Dekatherm quantity of gas delivered by Company at any delivery point shall be allocated in accordance with the allocation procedures specifically agreed to by Company and the Balancing Party, as set forth in the Operational Balancing Agreement governing the point provided, however, Company will not be required to enter into such allocating arrangements with: (i) a party if that party does not meet Company's creditworthiness provisions set forth in Section 25 of the General Terms and Conditions or, (ii) a market aggregator if the aggregator does not demonstrate that it has the physical or contractual ability to control the flow of gas at the applicable delivery point(s) and the contractual right to allocate gas deliveries at such point(s).

3.4.3 Allocation of Receipts/Deliveries in Absence of Operational Balancing Agreement

In the absence of a point allocation methodology at a given point as described above due to the lack of an Operational Balancing Agreement or for other reasons, the interconnected party shall advise Company, prior to the commencement of the day, of a Pre-determined Allocation ("PDA") methodology to be utilized in allocating scheduled receipts or deliveries among all parties and scheduling services at such points; provided that such methodology must allocate flows based on scheduled quantities.

Company shall accept NAESB WGQ-approved allocation methodology types from the upstream or downstream custody transfer party who is providing the point confirmation. [2.3.19]

Company shall confirm receipt of the PDA within 15 minutes. Confirmation of receipt of PDAs transmitted via EDI shall be Company's PDA quick response via EDI. Confirmation of receipt of PDAs transmitted via facsimile shall be the sending party's facsimile transmission report.

In the absence of receipt of a PDA, Company shall allocate quantities received or delivered at a certain point in proportion to the Scheduled Quantities.

Company shall operate in a manner such that allocated quantities will equal scheduled quantities for gas quantities into and out of a Title Transfer Tracking Service Provider ("TTTSP") from or to a pool(s). Company shall not be required to accept PDAs for those transactions nor separately provide, or transmit, Allocations to parties to such transactions. [1.3.71]

Where the allocated quantities with respect to a TTTSP are different than the scheduled quantities provided by Company to the TTTSP, for the same period, Company shall provide to the TTTSP Allocations (NAESB WGQ Standard No. 2.4.3) for the quantities into the TTTSP. In addition, Company shall either accept:

- (i) Allocations from the TTTSP, or,
- (ii) PDAs from the TTTSP.

Such information shall be delineated at the level of the nomination line items provided by the TTTSP to Company for the purpose of allocating quantities out of the TTTSP. [1.3.71]

3.4.4 Notification of Allocation Rules

Upon receipt of a request from a Service Requester at a given point, Company will notify such Service Requester of the applicable rules governing the allocation of Service Requester's gas at the point.

3.4.5 Time Limit for Allocation Disputes

The time limitation for disputes of allocations shall be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods. [2.3.26]

3.5 Access to System to Transact Business

All Nominating and Confirming Parties are responsible for purchasing and maintaining the equipment reasonably necessary to communicate with the System and for using the System for all transactions relating to transportation services.

3.6 Nominations

3.6.1 Standard Nomination and Confirmation Timeline

Company shall support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17) [1.3.2]:

(i) The Timely Nomination Cycle

On the day prior to gas flow:

1:00 p.m. Nominations leave control of the Service Requester;
1:15 p.m. Nominations are received by the Company (including from Title Transfer Tracking Service Providers (TTTSPs));
1:30 p.m. Company sends the Quick Response to the Service Requester;
4:30 p.m. Company receives completed confirmations from Confirming Parties;
5:00 p.m. Service Requester and Point Operator receive scheduled quantities from the Company.

Scheduled quantities resulting from Timely Nominations shall be effective at the start of the next Gas Day.

(ii) The Evening Nomination Cycle

On the day prior to gas flow:

6:00 p.m. Nominations leave control of the Service Requester;
6:15 p.m. Nominations are received by the Company (including from TTTSPs);
6:30 p.m. Company sends the Quick Response to the Service Requester;
8:30 p.m. Company receives completed confirmations from Confirming Parties;
9:00 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Evening Nominations shall be effective at the start of the next Gas Day.

(iii) The Intraday 1 Nomination Cycle

On the current Gas Day:

10:00 a.m. Nominations leave control of the Service Requester;
10:15 a.m. Nominations are received by the Company (including from TTTSPs);
10:30 a.m. Company sends the Quick Response to the Service Requester;
12:30 p.m. Company receives completed confirmations from Confirming Parties;
1:00 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 1 Nominations shall be effective at 2:00 p.m. on the current Gas Day.

(iv) The Intraday 2 Nomination Cycle

On the current Gas Day:

2:30 p.m. Nominations leave control of the Service Requester;
2:45 p.m. Nominations are received by the Company (including from TTTSPs);
3:00 p.m. Company sends the Quick Response to the Service Requester;
5:00 p.m. Company receives completed confirmations from Confirming Parties;
5:30 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations shall be effective at 6:00 p.m. on the current Gas Day.

(v) The Intraday 3 Nomination Cycle

On the current Gas Day:

7:00 p.m. Nominations leave control of the Service Requester;
7:15 p.m. Nominations are received by the Company (including from TTTSPs);
7:30 p.m. Company sends the Quick Response to the Service Requester;
9:30 p.m. Company receives completed confirmations from Confirming Parties;
10:00 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator.

Scheduled quantities resulting from Intraday 3 Nominations shall be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

- (vi) For purposes of NAESB WGQ Standard No. 1.3.2 (ii), (iii), (iv), and (v), the word "provides" shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post. [1.3.2(vi)]

3.6.2 Transmittal Nominations

Upon execution of a service agreement, the Service Requester shall send its nomination(s) to Company through the System with the information specified pursuant to the currently effective NAESB standards, as set forth in this Tariff.

If the System is unavailable for nomination purposes, the Service Requester may send its nomination(s) to Company by facsimile.

No transportation service will commence unless or until Company has received the nomination(s) through the System or by facsimile in the event the System is unavailable, and all applicable upstream/downstream connected parties have submitted to Company the information required by Section 3 of Rate Schedule LMS.

3.6.3 Responsibility to Confirm Nominations

The Confirming Parties at the applicable Receipt and Delivery Points will confirm with Company through the System that Service Requester's nominated quantities will be received or delivered.

If the System is unavailable, the Confirming Party may send its confirmation to Company by facsimile.

Company has determined that it will employ the confirmation process in its interactions with a TTTSP including a TTTSP acting as Company's agent, if any. Company shall also offer to employ with similarly situated TTTSPs, and may at its discretion require that other TTTSPs employ, the confirmation process in addition to the nomination on behalf of process for the purpose of coordinating activities at Company's locations with respect to Title Transfer Tracking. [1.3.77]

With respect to Title Transfer Tracking activity, when a reduction on a party's delivery side occurs at a location, and Company does not keep the party whole, Company shall pass the reduction to the appropriately ranked receipt transaction. When a reduction on a party's receipt side occurs at a location, and Company does not keep the party whole, Company shall pass the reduction to the appropriately ranked delivery transaction. [1.3.76]

Absent ranking information provided by the Third Party Account Administrator and absent a contrary mutual agreement to proceed otherwise, where transactions related to Third Party Account Administrator activities are not balanced at the end of any confirmation cycle, transactions entering the Third Party Account Administrator (receipt) or leaving the Third Party Account Administrator (delivery), whichever is higher, shall be reduced pro rata to match the total of the transactions on the other side of the Third Party Account Administrator. [1.3.72]

3.6.4 Change in Scheduled Transportation Service Via Nomination

For purposes of requesting any change in previously scheduled transportation service, Customer will send its nomination(s) via the System to Company when necessary pursuant to the NAESB WGQ standard nomination timelines stated in Subsection 3.6.1 above.

Company shall attempt to confirm such nomination changes with the corresponding Confirmation Parties pursuant to the NAESB WGQ standard nomination timelines stated in Subsection 3.6.1 above.

If Company is unable to confirm such nomination changes with the corresponding Confirmation Parties, Company shall utilize NAESB WGQ Standard No. 1.3.22 to direct how such nomination change is to be treated.

3.6.5 Duration of Timely and Evening Nominations

The service specified for a given scheduled timely and/or evening nomination shall be effective commencing at the start of the Gas Day on the beginning calendar day and terminating at the start of the Gas Day on the ending calendar day provided that the requested time period is wholly within the term of the applicable service agreement pursuant to which the nomination is submitted.

Company shall attempt to confirm Intraday 1, 2 and 3 Nomination changes subject to the restrictions set forth in Subsection 3.6.8 below.

3.6.6 Treatment of Hourly Requests During Off Hours

A Service Requester may request a change in its nomination quantity sixty minutes in advance to be effective on any hour of the day between 11:00 p.m. CCT and 8:00 a.m. CCT by making an hourly nomination request via the System.

It is the responsibility of the Customer to verbally notify Company's Gas Control Department that an hourly request is desired.

Upon verbal notice of an hourly request, Company shall attempt to confirm such request subject to the restrictions set forth in Subsection 3.6.8.

3.6.7 Nomination Quantity

All nominations, including intraday nominations and hourly requests, shall be stated in terms of a daily transportation quantity.

Company shall not be required to schedule an intraday nomination or an hourly request where the nominated quantity exceeds the Maximum Daily Quantity permitted under the service agreement pursuant to which service is requested or which would require Company to provide an unreasonably excessive change in the hourly flow rate contrary to Subsection 4.5 of Rate Schedule(s) FT-A, FT-B, FT-C, FT-D or Subsection 4.4 of Rate Schedule FT-GS.

Company shall not be required to schedule any intraday nomination or hourly request for a quantity that is less than the quantity of gas that has been scheduled to flow on such day prior to the effective time of such intraday nomination or hourly request.

The last daily nominated quantity stated in an intraday nomination or an hourly request received with respect to a given Gas Day shall be deemed to be the valid nomination quantity for such day and shall supersede any previous nomination quantity for such Gas Day.

An intraday nomination or hourly request shall terminate at the end of the day for which it was submitted and the nomination in effect prior to the submission of any intraday nomination or hourly request for such day shall continue in effect for the time period stated in the nomination or request.

Company shall also make available to the Service Requester at the end of the Gas Day information on any intraday or hourly nomination that is scheduled or not scheduled for delivery and on any scheduled nomination that is amended or changed by Company.

3.6.8 Bump Protection

Company shall not schedule an intraday nomination or hourly request change, if the result of scheduling such nomination or request would be to bump flowing and/or scheduled transportation under any firm primary or secondary service.

Company shall give an intraday nomination submitted by a firm Customer priority over nominated and scheduled gas quantities for Customers flowing gas quantities with a priority below secondary firm service.

Company shall provide bump notice by the notice procedures set forth in Subsection 8.5 of the General Terms and Conditions to the bumped Customers.

Company will not permit bumping for intraday nominations submitted during the Intraday 3 Nomination Cycle.

3.7 Capacity Allocation, Confirmation and Scheduling Processes

If nominated quantities exceed stated pipeline or point capacity at any location on Company's system for a given scheduling cycle, Company shall attempt to allocate nominated quantities of gas as set forth in Subsections 3.7.1 and 3.7.2 prior to confirmation with the interconnecting parties.

Company shall deem nominated quantities to be scheduled once the capacity allocation, and confirmation and scheduling processes are completed for a given scheduling cycle.

3.7.1 Allocation of Pipeline Capacity

In those instances in which the aggregate quantity of all validated nominations in a given flow direction exceed the physical capacity of Company's system at a specific pipeline location or segment, Company will allocate capacity to the validated nominations at the constrained pipeline location in the priority categories specified below (listed from highest to lowest).

- (a) Firm nominations with a flow direction opposite of the physical flow direction at a constrained pipeline location.

Such nomination class will be initially allocated capacity at this priority level given that it potentially creates capacity at the constrained location.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

- (b) Firm nominations with a flow direction in the same direction as the physical flow direction at a constrained pipeline location.

If required, Company shall prioritize nominations within this nomination class as follows:

- (i) In-Path, In-Direction (IPID) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

- (ii) In-Path, Out-of-Direction (IPOD) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(iii) Out-of-Path, In-Direction (OPID) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(iv) Out-of-Path, Out-of-Direction (OPOD) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(c) Interruptible nominations.

If required, Company shall prioritize nominations within this nomination class on the basis that the Customer paying the higher interruptible transportation rate shall receive a higher queue position than those paying a lower interruptible transportation rate.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's validated nomination quantity.

(d) Authorized overrun nominations.

If required, Company shall prioritize nominations within this nomination class on the basis that the Customer paying the higher overrun transportation rate shall receive a higher queue position than those paying a lower overrun transportation rate.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's validated nomination quantity.

3.7.2 Allocation of Point Capacity

In those instances in which the aggregate net quantity of all validated nominations exceed Company's physical capacity to receive gas at a specific Receipt Point or deliver gas at a specific Delivery Point, Company will allocate capacity to the validated nominations at the constrained point location in the following priority categories specified below (listed from highest to lowest).

(a) Firm nomination quantities in the opposite direction of the net nominated quantity at the constrained point location.

Such nomination class will be initially allocated capacity given that it potentially adds capacity at the point in the direction of the constraint.

(b) Firm nomination quantities in the same direction as the net nominated quantity at the constrained point location.

If requested, Company shall prioritize nominations within this nomination class as follows:

(i) Primary scheduling rights firm nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's primary scheduling rights at such location.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(ii) Secondary In-Path (SIP) firm nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's secondary scheduling rights at such location.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(iii) Secondary Out-of-Path (SOP) firm nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's secondary scheduling rights at such location.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(c) Interruptible nominations.

If required, Company shall prioritize nominations within the nomination class on the basis that the Customer paying the higher interruptible transportation rate shall receive a higher queue position than those paying a lower interruptible transportation rate.

Pro rata allocation of capacity within this nomination class for two or more Customers at an equal rate, if necessary, will be based on Customer's validated nominated quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(d) Authorized overrun nominations.

If required, Company shall prioritize nominations within the nomination class on the basis that the Customer paying the higher overrun transportation rate shall receive a higher queue position than those paying a lower overrun transportation rate.

Pro rata allocation of capacity within this nomination class for two or more Customers at an equal rate, if necessary, will be based on Customer's validated nominated quantity.

3.8 Partial Curtailment or Full Interruption of Scheduled Capacity

3.8.1 Allocation of Scheduled Capacity Due to Capacity Limitations

If, on any day, Company determines that the capacity of its system, or any portion thereof including the point(s) at which gas is tendered for transportation, is insufficient to serve all Customers that are scheduled to receive service on such day, then capacity that requires allocation shall be allocated in a manner that results in curtailment of capacity, to zero if necessary, sequentially in reverse order to the scheduling priorities provided for in Subsection 3.7 above.

Once scheduled, Rate Schedule FT-A, FT-C, FT-D and FT-GS Customers with secondary capacity scheduling rights at a given point shall be considered to have an equal curtailment allocation priority with Rate Schedule FT-A, FT-C, FT-D and FT-GS Customers with primary capacity scheduling rights at such point.

3.8.2 Allocation of Scheduled Capacity Due to Loss of Line Pack

If Company experiences an unanticipated loss of line pack due to the under delivery of gas quantities by Customer(s) to Company's mainline, then:

- (a) if the deficient source is known, Company will curtail the corresponding scheduled firm and/or interruptible markets; or
- (b) if the deficient sources are undeterminable, then Company will localize the smallest affected area, and will curtail scheduled interruptible service first in reverse scheduling order and then scheduled firm services will be curtailed pro rata; provided that verifiable Receipt Point gas quantities will not be subject to a deficiency of receipts curtailment.

To the extent that information concerning the deficient source is, or becomes available, Company will provide such information via the System to all curtailed Customers.

3.9 Customer Imbalances

3.9.1 Customer's Duty to Control Imbalances

A Customer receiving any transportation service from Company will use, or will cause any party receiving or delivering Customer's gas to use all reasonable efforts to ensure that receipts and deliveries of gas equal the Scheduled Quantities.

A Customer receiving service from Company at a Receipt and/or Delivery Point(s) not covered by an Operational Balancing Agreement shall also be responsible for controlling, and if necessary, adjusting receipts and deliveries of gas to maintain a balance between such receipts, deliveries, and the corresponding Scheduled Quantities.

To the extent a Customer is out of balance at a point not covered by an Operational Balancing Agreement, such Customer will be subject to the daily and monthly balancing provisions contained in Rate Schedule LMS. Imbalances at such points will be allocated pro rata based on Scheduled Quantities.

3.9.2 Balancing at Contract Termination

Following the termination of the service agreement, Customer shall be required to "cash out" any remaining excess or deficiency in receipts and deliveries in accordance with the

procedures established in Rate Schedule LMS, unless Company and Customer agree otherwise.

3.10 Imbalance Trading

Company shall allow a Customer, or its Agent, to net Customer imbalances within the same Operational Impact Area on and across Agreements and to trade Customer imbalances within the same Operational Impact Area. [2.3.30]

Company shall provide the ability to post and trade Customer imbalances until at least the close of the 19th Business Day of the month. [2.3.41]

An Authorization to Post Imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) that is received by Company by 11:45 a.m. shall be effective by 8:00 a.m. the next Business Day. An imbalance that is previously authorized for posting shall be posted on or before the ninth Business Day of the month. [2.3.40]

Company shall provide the ability to view and, upon request, download posted Customer imbalances. [2.3.42]

Customer imbalances to be posted for trading shall be authorized by Customer. [2.3.43]

Company shall not be required to post a Customer imbalance that has a quantity of zero. [2.3.44]

When trading Customer imbalances, a quantity shall be specified. [2.3.45]

An imbalance trade may only be withdrawn by the Initiating Trader and only prior to the Confirming Trader's confirmation of the trade. A Customer imbalance trade is considered final when confirmed by the Confirming Trader and effectuated by Company. [2.3.47]

Company shall recognize two types of Netting: summing and offsetting. Summing is the process of accumulation of all imbalances above any applicable tolerances for a Customer or its Agent. Offsetting is the process of combining positive and negative imbalances above any applicable tolerances for a Customer or its Agent. [2.2.3]

3.11 Times

Unless a provision of this FERC Gas Tariff expressly states otherwise, all times are Central Clock Time (CCT) [0.3.17].

8.8 OPERATIONAL FLOW ORDERS (OFO)

8.1 Circumstances Warranting OFO

- (a) Company shall have the right to issue OFOs as specified in this Section that require actions by Customers/Balancing Parties in order:
- (i) to alleviate conditions that threaten the integrity of Company's system;
 - (ii) to maintain pipeline operations at the pressures required to provide efficient and reliable transportation services;
 - (iii) to have adequate gas supplies in the system to deliver on demand;
 - (iv) to maintain service to all firm Customers;
 - (v) to maintain the system in balance for the foregoing purposes; and
 - (vi) to respond to any event, including an event of force majeure, which Company believes in its reasonable judgment may jeopardize the integrity of its system.

Specific conditions that could prompt Company issuance of an OFO include:

- (1) The inability of Company to receive scheduled gas at a Receipt Point or to deliver scheduled gas at a Delivery Point due to either an operational or weather-related condition on the associated interconnected system.
 - (2) The receipt of gas that does not conform to Company's quality standards, as specified in Subsection 2.1 of the General Terms and Conditions.
- (b) The OFO will begin when Company issues an OFO in response to one or more of the circumstances described above and shall remain in effect until the circumstance have been remedied. While an OFO is in effect, Company shall provide updates on the status of the circumstance that occasioned the OFO through postings on the System.

8.2 Applicability of OFO

- (a) Company shall issue all OFOs on a non-discriminatory basis. Company shall attempt to minimize the use of OFOs and the declaration of critical periods and, when possible, shall direct an OFO to the specific party(s) creating the operating condition. [1.1.12] Company shall apply OFOs to the smallest number of affected Balancing Party(s) as possible.
- (b) The extent and severity of an OFO called shall be determined by the overall operating conditions of the Company's system. Company shall make an OFO as localized as is reasonably practicable based on Company's good faith and reasonable judgment concerning the situations requiring remediation such that an OFO will be directed (i) first to Customers/Balancing Parties causing the problem necessitating the OFO or transporting gas in the area of the system in which there is an operational problem, and (ii) second to those Customers/Balancing Parties transporting gas in the area of the system where action is required to correct the problem necessitating the OFO. Company will tailor the OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in Subsections 8.5 and 8.6 hereof.

8.3 Action Taken by Company Prior to Issuance of OFO

- (a) Company will informally, via telephone or other electronic communications, request adjustments in the portfolio of flowing gas supplies of Customer(s)/Balancing Party(s) to accommodate the demands on Company's system if in Company's reasonable judgment that such informal requests could alleviate the conditions threatening the system. In cases of high line pack, Company will request Customer(s)/Balancing Party(s) responsible for such conditions to reduce supply nominations or increase delivery quantities. Company will coordinate operational adjustments in flowing gas quantities and pressures with interconnecting pipelines where appropriate in order to alleviate operating concerns caused by line pack levels and planned or unplanned maintenance and repairs. To the extent it is operationally feasible to do so, Company shall provide, via posting on its Informational Postings web site, notice to all Customers and Balancing Parties of upcoming system events and/or operational problems that may necessitate the issuance of an OFO.
- (b) Balancing Party(s) without 24-hour gas monitoring capability shall provide Company with the name and telephone number of a representative who Company may contact at any time to request such adjustments.
- (c) If Company does not receive full cooperation from its informal request(s), it may be necessary for Company, after making informal request to issue OFO. If in Company's reasonable judgment an informal request will not be adequate to sufficiently alleviate conditions threatening the system, then Company may issue the OFO without an advance informal request.
- (d) All OFOs will be posted on Company's System, to be followed by electronic or written notice or other mutually agreeable means of communication, to affected Customers that will set forth the causes or conditions necessitating the OFO.

8.4 Upon Issuance of OFO

- (a) Upon the issuance of an OFO by Company, it shall be incumbent upon each Balancing Party to adjust gas supplies as directed. Such response shall be required within the time frame specified in the OFO. Failure to comply in a timely fashion with an OFO may result in an immediate interruption of all or a portion of Balancing Party's service and cause Balancing Party to incur penalties as provided for in Part 8.8.2 and Section 23 of the General Terms and Conditions.
- (b) In the event Balancing Party(s) does not respond to the OFO and Company believes it is necessary to take actions (i.e., buying or selling gas, etc.) to maintain system integrity or to prevent interrupting service to another Customer, Company shall have the right, but not the obligation, to take such remedial actions as it deems necessary. If Company takes these actions, it shall be made whole by the non-responding Balancing Party(s) for all costs that Company incurs.
- (c) When gas supplies necessary to effectuate transportation, deliveries are not flowing on the system, Company will not be responsible for backing up such supplies and the associated deliveries will be subject to interruption.

8.5 OFO Notification

The declaration to the affected parties of OFOs, critical periods, and/or critical notices shall describe the conditions and the specific responses required from the affected parties. [1.3.26]

All OFOs will be issued via the Informational Postings web site and System to the affected Customer/Balancing Party, and may be followed by a subsequent electronic or telephone communication. The OFO will set forth:

- i. the time and date of issuance;

- ii. Customer/Balancing Party receiving the OFO;
- iii. the actions Customer/Balancing Party is required to take;
- iv. the time by which Customer/Balancing Party must be in compliance with the OFO (if no time is specified, the OFO shall be effective immediately);
- v. the anticipated duration of the OFO (if none is specified, the OFO will be effective until further notice);
- vi. the quantity of gas required to remedy the operational condition requiring the issuance of the OFO; and
- vii. any other terms that Company may reasonably require to ensure the effectiveness of the OFO.

8.5.1 OFOs can be issued to effect any of the following:

- (a) Curtailment of interruptible services;
- (b) Restrictions of deliveries to a specific point or points covered by a Balancing Agreement to the aggregate Transportation Quantity under the firm transportation agreements with primary Delivery Points at the affected locations; and/or
- (c) Forced balancing such that Balancing Parties will be required to assure that nominations equal flows and that receipts and deliveries fall within the tolerance level designated in the OFO.

8.5.2 Notice of Service Interruption

If a full interruption, partial curtailment, or reduction of service due to an OFO shall become necessary, Company shall directly notify affected Customer(s) and post, as soon as possible, a summary of the service interruption. The posting shall contain information about the status of the operational variables that 1) prompted such service interruption and 2) the estimated effective period that the interruption will be in effect. In addition, Company shall post routine status updates throughout the interruption period. Company shall provide an estimate of the quantity of gas it will be able to transport for the affected Customers during the curtailment period and shall give like notice of the cessation of such curtailment.

8.6 Customer/Balancing Party Compliance

A Customer/Balancing Party must comply with an OFO within the time period set forth therein unless the Customer/Balancing Party is able to demonstrate that such compliance (i) is not within the Customer's/Balancing Party's physical control or capability; (ii) is prevented by operating conditions on a third party system that are beyond the Customer's/Balancing Party's control; (iii) is precluded by contractual restrictions or the lack of any contract at all with persons other than Company; and/or (iv) is prevented due to a force majeure event as defined in Section 10 of these General Terms and Conditions. The Customer/Balancing Party shall make a good faith effort to comply with any such OFO, including seeking waivers of any contractual limits with third parties or modifications of operating conditions on third party systems. Customer/Balancing Party shall notify Company immediately if it believes that it is excused from compliance with the OFO for any of the above stated reasons and shall provide Company with documentation sufficient to support its basis for non-compliance.

8.7 Treatment of Customer Imbalances

At the time an OFO is issued, affected Customers will be notified of any imbalances that require immediate resolution pursuant to one of Company's imbalance resolution methods as detailed in Section 3.9 of the General Terms and Conditions of Company's FERC Gas Tariff.

Quantities parked and loaned under Rate Schedule PAL or Rate Schedule FPAL may be utilized by Customer to net or trade against Customer imbalances to facilitate the immediate elimination of such imbalances.

8.8 Failure to Respond to OFO

8.8.1 Unilateral Action

In the event that Customer/Balancing Party does not respond to an OFO, or the actions taken thereunder are insufficient to correct the system problem for which the OFO was issued, or there is insufficient time to carry out the procedures with respect to OFOs, Company may take unilateral actions, including the curtailment of firm service, to maintain the operational integrity of Company's system (or any portion thereof).

For purposes of this Section, the operational integrity of Company's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system as an entity (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of gas delivered.

8.8.2 OFO Penalty

If a Customer/Balancing Party fails to comply with an OFO it will be subject to a Failure to Respond OFO Charge for each Dekatherm of gas by which it deviated from the requirements of the OFO. The daily Failure to Comply OFO Charge shall be computed based on a price per Dekatherm equal to three times the midpoint of the range of prices reported for "Chicago city-gates" as published in the Daily price survey in Platts Gas Daily for the flow day on which the OFO is issued.

8.8.3 Waiving of Penalty/Charges

A Balancing Party shall not incur any charges or penalties if such charges or penalties resulted from Customer's/Balancing Party's compliance with an OFO, including any preliminary action taken by Customer/Balancing Party in response to an informal request pursuant to 8.3(a).

Company shall waive any penalty charges incurred by Customer/Balancing Party if Company determines, in its reasonable judgment, that Customer was cooperating with a request of Midwestern, conducting its operations in a responsible manner at the time the penalty charges were incurred, and that Customer's conduct did not impair service to another Customer. Company must grant waivers under this section on a non-discriminatory basis, but the waiver of any penalty charges shall not constitute an automatic waiver of any future penalty charges.

A Customer/Balancing Party shall not incur any penalties if the OFO was necessitated exclusively by Company's negligence or willful misconduct.

8.8.4 All amounts invoiced and collected by Company as payment of OFO penalties under Subsection 8.8.2, net of incremental administrative charges, will be treated as OFO

penalties and shall be allocated by Company to Customers using the methodology set forth in Subsection 23.1 of the General Terms and Conditions.

8.9 Liability of Company

Company shall not be liable for any costs incurred by any Customer/Balancing Party in complying with an OFO. Company shall not be responsible for any damages that result from any interruption in Customer's/Balancing Party's service that is a result of a Customer's/Balancing Party's failure to comply promptly and fully with an OFO, and the noncomplying Customer/Balancing Party shall indemnify Company against any claims of responsibility. However, Company shall use reasonable efforts to minimize any such costs or damages, and nothing herein shall exempt Company from liability in the event of Company's negligence or willful misconduct.

8.10 Follow-up Reports

On a quarterly basis, Company will provide every Customer and Balancing Party that was affected by an OFO during the previous quarter, a written report that details the underlying causes that warranted the issuance of the OFO during the quarter and explains why the actions required by the OFO were necessary to alleviate the identified problems.

9. TITLE TO GAS

9.1 General

This Section shall apply to all transportation service unless otherwise provided in the applicable Rate Schedule or service agreement.

9.2 Warranty of Title to Gas

Customer warrants for itself, its successors and assigns, that it will have, at the time of delivery of gas hereunder, good Title and/or the good right to deliver the gas, that the gas it delivers hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, that Customer will indemnify Company and save Company harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said gas and/or to royalties, taxes, license fees, or charges thereon that are applicable for such delivery of gas and that Customer will indemnify Company and save Company harmless from all taxes or assessments that may be levied and assessed upon such delivery and that are by law payable by and the obligation of the party making such delivery. If Customer's Title or right to deliver gas to be transported is questioned or involved in any action, Customer shall not qualify for or shall be ineligible to continue to receive service until such time as Customer's Title or right to delivery is free from question; provided, however, Company shall allow Customer to qualify for or continue receiving service under this Tariff if Customer furnishes a bond satisfactory to Company. Title to the gas received by Company at the Receipt Point(s) shall not pass to Company, except as provided in Company's Rate Schedule LMS, and Title to gas delivered for Company's system fuel and uses and gas lost and unaccounted for shall pass to Company upon delivery at the Receipt Point(s). To the extent Company sells gas to a Customer or Balancing Party pursuant to the cash out provisions in Rate Schedule LMS, Company shall indemnify and hold Customer or Balancing Party harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said gas and/or royalties, taxes, license fees, or charges thereon.

9.3 Title Transfer Tracking

9.3.1 General

Title Transfer Tracking improves quantity certainty. [1.1.10]

Users of Title Transfer Tracking services shall bear the cost of that service if Company determines that the incremental cost to provide such service measurably exceeds the administrative costs to invoice for such service. [1.1.11]

Title Transfers into and/or out of Title Transfer Tracking Service Provider ("TTTSP") shall be able to occur regardless of the service class of any related transportation. [1.1.21]

At a minimum, Company shall be responsible for accommodating Title Transfer Tracking services at all points identified by Company as pooling points (Transfer Points), where Title Transfer Tracking services are requested. In absence of existing pooling points or in addition to existing pooling points where access to Title Transfer Tracking is not reasonably accessible for supply receipt locations covered by an OBA, Company shall be responsible for accommodating Title Transfer Tracking at no less than one location. [1.3.64]

All Title Transfer Tracking services shall be performed under a contract or other arrangement between the Account Holder and their TTTSP. [1.3.68]

The Title Transfer Tracking services shall be supported by means of nominations, quick responses and scheduled quantities processes. [1.3.65]

A party to a transaction shall nominate, or otherwise communicate in a mutually agreeable manner, the identity of their transaction counterparty along with the applicable, associated nominations-related information to the appropriate Confirming Party or TTTSP. Failure to so act can result in the failure of the subject transaction to be communicated to and scheduled by Company. A Confirming Party may communicate with its party and/or the immediate counterparty as to the existence and nature of a failure to communicate a transaction on the part of the applicable party. A TTTSP may communicate with its Account Holder(s) (AHs) and/or its AH(s)' immediate counterparty(ies) as to the existence and nature of a failure to communicate a transaction on the part of the applicable party. [1.3.74]

9.3.2 Nominations for Company Provided Title Transfer Tracking

A Title Transfer Nomination is a nomination line item requesting service of Title Transfer Tracking and is sent by an Account Holder to a TTTSP. [1.2.19]

9.3.3 Third Party Provided Title Transfer Tracking

All Third Party Account Administrators wishing to provide Title Transfer Tracking services shall so notify Company. All coordination between Third Party Account Administrators and Company shall be performed under a contract between the parties. Whereas Company is a TTTSP on its system, tariff provisions (terms, conditions, and rates) or general terms and conditions of Company, will take the place of a contract. [1.3.66]

Upon reasonable request of the Third Party Account Administrator, Company shall provide the Third Party Account Administrator with one of the following for conducting Title Transfer Tracking activity:

- (a) location code(s);
- (b) contract identifier(s) used in the exchange of transactional data; or
- (c) both (a) and (b) above.

In any event, Title Transfer Tracking activity is always performed at or with respect to a location (physical or logical). [1.3.67]

Company shall communicate with any TTTSP that performs according to the applicable contract between the TTTSP and Company, and that operates in accordance with those NAESB WGQ standards applicable to Title Transfer Tracking. [1.3.69]

Where Company has decided to offer Title Transfer Tracking service by means of an arrangement (including an agreement) with a party which will act as Company's designated party, and regardless of communication methodology between Account Holders and such designated party, Company shall, upon request, identify the TTTSP(s) at a location which have established active Title Transfer Tracking arrangements with Company. The relevant information to be provided shall include the name of each TTTSP, the ID code for each TTTSP used by Company, the contract number for each TTTSP assigned by Company (where applicable), and the location code(s) nominatable to Company for transportation service to or from the location associated with each TTTSP. [1.3.73]

19. INFORMATION AND COMMUNICATIONS REGARDING TRANSPORTATION SERVICES

This Section describes the information and procedures Company will make available to any person.

19.1 Access to Internet Web Site

Company shall provide access to Informational Postings and Customer Activities web sites via designated Internet web addresses.

For further information relative to Company's designated Internet web sites, potential users should contact:

Customer Service & Nominations
Phone Number: 1-800-372-2982
Email: InterstateScheduling@dtmidstream.com

19.2 Informational Postings Web Site

The Informational Postings web site will be maintained to provide equal and timely access to certain information, as it pertains to Company's pipeline system including: 1) Operationally Available and Unsubscribed Capacity; 2) Affiliate Information; 3) Gas Quality Information; 4) Index of Customers; 5) FERC Standards of Conduct for Transmission Providers pursuant to 18 CFR Part 358; 6) Critical, Non-Critical, and Planned Service Outage Notices; 7) Posted Imbalances; 8) Company's FERC Gas Tariff and 9) Transactional Reporting. Other information or capabilities to comply with additional reporting requirements as dictated by the FERC also shall be included.

Information posted on Company's Informational Postings web site may be fully disseminated by its users.

Information on Company's Informational Postings web site shall be made available so as to permit users to download data to be used in their applications.

Company agreements are located on the Informational Postings Web Site (<https://dtmidstream.com/company/customers/>) under Forms.

19.3 Customer Activities Site

Company's proprietary business functions are accessible via its Customer Activities site.

- (a) The Customer Activities site will be maintained to provide equal and timely access to certain transportation information, as it pertains to Company's pipeline system and in accordance with applicable currently effective FERC's adopted NAESB WGQ standards.
- (b) Any person may communicate with Company via the System, which includes Electronic Data Interchange (EDI), by:
 - (i) acquiring compatible personal computer capability;
 - (ii) executing the applicable access forms with Company; and
 - (iii) receiving a user identification password for accessing such site.

19.4 Electronic Data Interchange

A person may communicate with Company via EDI by executing an Electronic Data Interchange Trading Partner Agreement with Company. The Electronic Data Interchange Trading Partner Agreement can be found on Company's Informational Postings web site under Forms. The Electronic Data Interchange Trading Partner Agreement follows the format of the NAESB form Electronic Data Interchange Trading Partner Agreement (NAESB Standard No. 6.3.3).

19.5 Service Complaints

Customers are encouraged to resolve any disputes informally with their designated representatives. A formal complaint concerning any services offered by Company shall be directed, preferably in writing, to the Chief Compliance Officer (CCO), Midwestern Gas Transmission Company, 500 Woodward Ave., Suite 2900, Detroit, MI 48226. The CCO or a designee will respond initially to the complainant within 48 hours (exclusive of weekends and holidays), and in writing within 30 days.

21. CAPACITY RELEASE

21.1 Applicability of Capacity Release

This section is applicable to any release of firm capacity under Rate Schedules FT-A, FT-B, FT-C or FT-D. For purposes of this Section 21, Customer(s) will be referred to either as Releasing Shipper(s) and/or Replacement Shipper(s) as applicable.

21.2 Capacity Release Offer

A Releasing Shipper that desires to release its rights to firm capacity pursuant to this Section 21, shall notify Company of its intent by posting directly on the System a capacity release offer containing information consistent with the currently effective FERC adopted NAESB WGQ standards, including any alternative to the method set forth in Subsection 21.10 to choose between bids of equal value. A Releasing Shipper shall notify Company of prearranged releases exempt from competitive bidding pursuant to the prior posting provisions of Subsection 21.4(a).

21.3 Pre-qualification to Submit Bid

Persons that desire to Bid on released transportation rights must pre-qualify with Company in the same manner and subject to the same standards and procedures as required for firm Customers under Section 25 of these General Terms and Conditions.

21.4 Prearranged Releases Permitted Without Competitive Bidding

- (a) A Releasing Shipper may release some or all of its firm transportation rights to a qualified Replacement Shipper(s) without competitive bidding, pursuant to Subsection 21.10, if its proposed release meets the following requirements: ("Exempt Prearranged Bidder")
 - (i) the release of capacity is to an asset manager as defined in 18 C.F.R. § 284.8(h)(3);
 - (ii) the release of capacity is to a marketer participating in a state-regulated retail access program as defined in 18 C.F.R. § 284.8(h)(4);
 - (iii) the release of capacity is for more than one year at the applicable Maximum Rate for the applicable firm transportation service being released; and
 - (iv) the release of capacity is for any period of 31 days or less.

Notice of the prearranged releases that qualify under this Subsection 21.4(a) of these General Terms and Conditions must be posted on the System as soon as possible, but not later than the first nomination, after the release transaction commences. This posting shall contain information consistent with the currently effective FERC adopted NAESB WGQ standards. In addition, for releases to an asset manager the posting should include the volumetric level of the asset manager's delivery or purchase obligation and the time periods during which that obligation is in effect. The posting should also include whether the release is to a marketer participating in a state-regulated retail access program.

- (b) A Releasing Shipper that releases capacity for any period of 31 days or less pursuant to Subsection 21.4(a)(iv) may not rollover, renew, or otherwise continue the original capacity release to the same Replacement Shipper until twenty-eight (28) days after the original release period has expired, unless:

- (i) for the re-release to the same Replacement Shipper, the Releasing Shipper follows the prior posting and bidding procedures set forth in Subsection 21.5 of these General Terms and Conditions; or
- (ii) the re-release to the same Replacement Shipper qualifies for any of the other exemptions from competitive bidding under Subsections 21.4(a)(i), (ii), and (iii).

21.5 Prearranged Releases Subject to Competitive Bidding

Prearranged Releases with a term greater than thirty-one (31) days but less than one year are subject to prior posting and competitive bidding. ("Non-Exempt Prearranged Bidder")

- (a) Releasing Shipper shall submit to Company all applicable information required by Subsection 21.2 and be subject to the bidding process required by Subsection 21.10 of these General Terms and Conditions on the System. The System will automatically assign an individual offer number to such capacity release offer. The period of time for posting of the information ("Posting Period"), and the period of time during which Bids will be received on such capacity release offer ("Bidding Period"), shall be as set forth in Subsection 21.11 of these General Terms and Conditions unless otherwise specified in the capacity release offer. The Bidding Period shall be enclosed within the Posting Period.
- (b) Releasing Shipper may withdraw its capacity release offer, by written or electronic notice of withdrawal, up to the close of the applicable Bidding Period where unanticipated circumstances justify such withdrawal and no qualified Bid has been submitted.

21.6 Non-Prearranged Releases Subject to Competitive Bidding

Releases that are not prearranged are subject to prior posting and competitive bidding.

- (a) Releasing Shipper shall submit to Company all applicable information required by Subsection 21.2 and be subject to the bidding process required by Subsection 21.10 of these General Terms and Conditions on the System. The System will automatically assign an individual offer number to such capacity release offer. The period of time for posting of the information ("Posting Period"), and the period of time during which Bids will be received on such capacity release offer ("Bidding Period"), shall be as set forth in Subsection 21.11 of these General Terms and Conditions unless otherwise specified in the capacity release offer. The Bidding Period shall be enclosed within the Posting Period.
- (b) Releasing Shipper may withdraw its capacity release offer, by written or electronic notice of withdrawal, up to the close of the applicable Bidding Period where unanticipated circumstances justify such withdrawal and no qualified Bid has been submitted.

21.7 Rights and Obligations of Releasing Shipper

Notwithstanding any release hereunder, Releasing Shipper(s) shall remain responsible for payment of the demand charge associated with the released capacity up to the demand charge specified in the Releasing Shipper's Firm Transportation Agreement with Company. However, Company and Releasing Shipper may agree to a Negotiated Rate under a Firm Transportation Agreement and agree upon payment obligations and crediting mechanisms, in the event of a capacity release, that vary from or are in addition to those set forth herein and in Subsection 21.13(a) of these General Terms and Conditions; provided that nothing in the foregoing provision shall authorize Company or Releasing Shipper to violate the FERC's policy with respect to negotiation of terms and conditions of service.

Any increase in Company's rates, charges, and surcharges shall remain the responsibility of the Releasing Shipper; provided, however, that the Releasing Shipper may provide, in its capacity release offer, for the rates, charges or surcharges for released transportation rights to increase in accordance with any increases in Company's rates, charges and surcharges. If a Releasing Shipper releases firm capacity, then Releasing Shipper's firm capacity rights shall be reduced by an amount equal to the quantity released, in accordance with Subsection 21.2 of these General Terms and Conditions, for the period of the capacity release, except for any period that the firm capacity is recalled by the Releasing Shipper (if permitted in the successful bid) and until such capacity is reput to the Replacement Shipper, in accordance with this Subsection 21.12.

A release for the entire remaining term of the Releasing Shipper's Firm Transportation Agreement shall effect a permanent release or a temporary release. In the event Releasing Shipper designates the capacity release offer as a permanent release, the Replacement Shipper shall be subject to all rights and obligations associated with the released capacity.

If a Releasing Shipper elects a temporary release, all contractual rights and obligations associated with the released capacity remain with the Releasing Shipper at the end of the term of the temporary release.

In accordance with the terms of a permanent release or a temporary release, the Replacement Shipper shall execute a new Firm Transportation Agreement under the applicable rate schedule pursuant to Part 284 of the Commission's regulations.

A Releasing Shipper shall describe fully in its capacity release offer any rights to recall the capacity being released and under what conditions the capacity shall be reput to the Replacement Shipper following any such recall.

A release by a Replacement Shipper shall not relieve the original Releasing Shipper or the Replacement Shipper of their obligations under this Section 21.

21.8 Rights and Obligations of Replacement Shipper

The Replacement Shipper's service under a capacity release shall be subject to and governed by the terms and conditions of the Releasing Shipper's Firm Transportation Agreement, the terms and conditions of the Replacement Shipper's winning bid, and the capacity release offer.

A Replacement Shipper shall be allowed to release the capacity under its Firm Transportation Agreement, provided that the original capacity release offer was not volumetrically based, and contained a provision to allow for the re-release.

The sum of the capacity re-released cannot exceed the awarded capacity to the Replacement Shipper under each individual capacity release offer.

Nominations to a point outside of the released Transportation Path by the Replacement Shipper or within the released Transportation Path by the Releasing Shipper shall be permitted. In the event that the combined quantity nominated by the Releasing Shipper and the Replacement Shipper exceed the Releasing Shipper's original mainline capacity entitlements, Company shall accept nominations for quantities in excess of the original mainline capacity entitlements in the overlapped portion of its system. When an overlap occurs at a point between a Releasing Shipper and its Replacement Shipper, in the circumstance of nominations to the same point, such nominations are allowed as long as the Transportation Quantity is not exceeded. When the Releasing Shipper and the Replacement Shipper each nominate to a secondary point out of their respective Transportation Path causing total nominated quantities to exceed a capacity limitation at a location on Company's system, Company shall schedule such nominations pursuant to Subsection 3.7 of the General Terms and Conditions.

The Replacement Shipper is entitled to nominate any Receipt Point or Delivery Point on Company's system, consistent with the same conditions applicable to any other firm Customer on Company's system.

21.9 Rights and Obligations of Company

Company makes no representation or warranty to any party concerning the accuracy or completeness of any posted information or concerning the willingness or ability of any Releasing Shipper to release transportation rights hereunder or of any Replacement Shipper to accept transportation rights hereunder. Company shall not be liable to any party for any damages, of any nature whatsoever, including without limitation any special, incidental or consequential damages, or any other kind that may arise in connection with the posting of information hereunder.

Company may refuse to allow a permanent capacity release if it has a reasonable basis to conclude that it will not be financially indifferent to the release. If Releasing Shipper's request to permanently release capacity is denied, Company shall notify Releasing Shipper in writing of the reason for such denial.

Company may invalidate any capacity release offer or any Bid subsequent to its posting on the System that does not conform in all respects to the requirements of Company's Tariff, or any Commission Order or regulation, and such invalidated capacity release offer or Bid shall be deemed null and void.

21.10 Bid and Award Process

(a) Bid Process

The Releasing Shipper shall specify which one of the following methods is acceptable for bidding on a given capacity release Offer: (i) Non-index-based release – dollars and cents, (ii) Non-index based release – percentage of Maximum Rate or (iii) Index-based formula as detailed in the capacity release offer. The Bids for the given capacity release Offer shall adhere to the method specified by the Releasing Shipper. [5.3.26]

Bidders may submit Bids during the Bidding Period applicable to a capacity release offer. All Bids must be submitted via the System. All contingencies must be identified on the Bid or capacity release offer.

In submitting a Bid, Bidders recognize that such Bids will be accessible by other Bidders through the System. Upon submission, all Bids will be assigned a Bid number and the identity of the Bidder will not be revealed during the Bidding Period.

For releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release, bids shall not exceed the applicable Maximum Rate for the applicable firm transportation service being released as set forth on the currently effective Summary of Rates and Charges. The Maximum Rate shall not apply to Capacity Releases for a period of one year or less if the release is to take effect on or before one year from the date on which the Releasing Shipper notifies the Company of the release. For all releases, bids shall not be less than the applicable minimum rate set forth in the capacity release offer.

The quantity specified in a Bid may not exceed the maximum quantity or be less than the minimum quantity specified in a capacity release offer.

The release term specified in a Bid must meet the term specifications in the capacity release offer.

Bidding will be an iterative process such that a Bidder may submit any number of Bids during the Bidding Period; provided that each new submission of a Bid requires the withdrawal of any previous Bid submitted by Bidder such that a Bidder cannot have more than one Bid in contention for the same capacity at one time. If a Bidder withdraws its Bid and resubmits a new Bid, such new Bid must be at a higher rate. A Bidder retains the right to withdraw its Bid by resubmitting a new Bid, until the close of the Bidding Period, at which time, such Bid shall become binding.

Bids must contain information consistent with the currently effective FERC adopted NAESB standards.

(b) Awarding of Capacity to a Successful Bidder

The determination of the successful Bidder shall be effected in accordance with the following procedures:

(i) Bid Evaluation Methodologies

The Releasing Shipper shall specify in the capacity release offer one of the following Bid evaluation methodologies: (1) highest rate, (2) net revenue, or (3) present value. A capacity release offer submitted specifying one of these methods shall be accorded the timeline treatment described in Subsection 21.11. However, the Releasing Shipper may choose another Bid evaluation method and this request also shall be accorded the timeline treatment described in Subsection 21.11 of these General Terms and Conditions. Company shall apply the method chosen to determine the successful Bidders as mandated thereby, provided that the capacity released to each successful Bidder shall be no less than one Dekatherm. If the Releasing Shipper desires to award more than one winner, the Releasing Shipper should allow for the acceptance of partial quantity Bids.

(ii) If the present value method is chosen, then Company shall evaluate the Bids and award the capacity based on the following procedures:

Company shall determine the Bid or Bids having the highest present value ("PV") based on the following formula:

$$PV = (\text{Bid Rate}) \times (\text{Bid MDQ}) \times \frac{1 - (1+i)^{-N}}{i}$$

where

Bid Rate = for firm releases, the demand charge that the Bidder has agreed to pay; for interruptible releases, the usage charge that the Bidder has agreed to pay.

Bid MDQ = the MDQ stated in the Bid.

i = interest rate per month (which shall be the then current maximum yield on five-year U.S. Government Treasury note divided by 12), and

N = term proposed by the Bidder.

- (iii) If the net revenue method is chosen, Company shall determine the Bid or Bids having the highest net revenue (NR) using the following formula:

$$NR = (\text{Bid Rate}) \times (\text{Bid Term}) \times (\text{Bid TQ})$$

where

Bid Rate = the daily charge which the Bidder has agreed to pay; for demand rate Bids, the charge is calculated by dividing the Bid rate received from the Bidder by 30.4 days per month (average days per month in a 365-day year).

Bid Term = the term proposed by the Bidder, in days.

Bid TQ = the TQ stated in the Bid, measured in Dekatherms.

- (iv) If a capacity release offer includes a Non-Exempt Prearranged Bidder, then the released transportation rights shall be awarded to the Non-Exempt Prearranged Bidder if (a) its Bid has a value determined in accordance with Subsection 21.6(a) equal to or higher than the highest value of the Bids submitted by all other Bidders, or (b) the Non-Exempt Prearranged Bidder agrees to match any Bid having a higher value, as applicable, within the time period provided by Subsection 21.11.
- (v) If only one Bidder has submitted a Bid that reflects the highest value, then the transportation rights shall be awarded to that Bidder, subject to any Non-Exempt Prearranged Bidder's exercise of its right of first refusal (matching) as set forth above.
- (vi) If two or more Bidders have submitted Bids that reflect the highest value, then subject to any Non-Exempt Prearranged Bidder's exercise of its right of matching, the released transportation rights will be awarded to the Bid submitted and received earliest by Company's Customer Activities site, unless, in accordance with Subsection 21.2, the Releasing Shipper has specified an alternative means for awarding the released capacity as between two or more equal Bids ("alternative tiebreaker").
- (vii) When the Company makes awards of capacity for which there have been multiple Bids meeting minimum conditions, the Company shall award the Bids, best Bid first, until all offered capacity is awarded. [5.3.4]
- (viii) Company shall not award capacity release offers to Replacement Shipper until and unless Replacement Shipper meets Company's creditworthiness requirements applicable to all services that it receives from Company, including the service represented by the capacity release. [5.3.59]
- (ix) For informational purposes only, Company shall post on its Informational Postings web site the identity of the winning Bidder, the terms of the successful Bid, and the Replacement Shipper's contract number.

21.11 Standard Capacity Release Timeline

The standard capacity release administrative timeline is as follows (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17) [5.3.2]:

- (a) For biddable releases (1 year or less):
 - (i) Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
 - (ii) Open season ends at 10:00 a.m. on the same day or a subsequent Business Day.
 - (iii) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
 - (iv) If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.
 - (v) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.
 - (vi) The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
 - (vii) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
- (b) For biddable releases (more than 1 year):
 - (i) Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
 - (ii) Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
 - (iii) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
 - (iv) If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.
 - (v) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.
 - (vi) The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
 - (vii) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
- (c) For non-biddable releases:
 - (i) The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:
 - Timely Cycle 12:00 Noon
 - Evening Cycle 5:00 p.m.
 - Intraday 1 Cycle 9:00 a.m.
 - Intraday 2 Cycle 1:30 p.m.
 - Intraday 3 Cycle 6:00 p.m.
 - (ii) The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
 - (iii) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

(d) Methodologies Supported by Standard Timeline

For the capacity release business process timing model, only the following methodologies are required to be supported by Company and provided to Releasing Shippers as choices from which they may select and, once chosen, shall be used in determining the Awards from the Bid(s) submitted. They are: (i) highest rate, (ii) net revenue and (iii) present value. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. [5.3.3]

(e) Methodologies Not Supported by Standard Timeline

Other choices of bid evaluation methodology (including other Releasing Shipper defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of Company. However, Company is not required to offer other choices or similar timeline treatment for other choices, nor, is Company held to the timeline should the Releasing Shipper elect another method of evaluation. [5.3.3]

(f) The capacity release timeline applies to all parties involved in the capacity release process provided that: (i) all information provided by the parties to the transaction is valid and the Replacement Shipper has been determined to be creditworthy in accordance with Subsection 21.10(b)(vii) of these General Terms and Conditions before the capacity release bid is tendered; (ii) for index-based capacity release transactions, the Releasing Shipper has provided Company with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (iii) there are no special terms or conditions of the release. Further Company may complete the capacity release process on a different timeline if the Offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by Company). [5.3.1] Nominations by the winning Bidder may be submitted at the earliest available nomination cycle.

21.12 Standard Recall and Reput Notification Periods

Company shall support the following recall notification periods for all released capacity subject to recall rights (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17) [5.3.44]:

(a) Timely Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due.

(b) Early Evening Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due.

(c) Evening Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due.

(d) Intraday 1 Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due.

(e) Intraday 2 Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 12:00 p.m. on the day that Intraday 2 Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 1:00 p.m. on the day that Intraday 2 Nominations are due.

(f) Intraday 3 Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

(g) Deadline for Reput

The deadline for notifying Company of a reput is 8:00 a.m. to allow for timely nominations to flow on the next Gas Day. [5.3.54]

For recall notification provided to Company prior to the recall notification deadline above (specified in NAESB WGQ Standard No. 5.3.44) and received between 7:00 a.m. and 5:00 p.m., Company shall provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification. [5.3.45]

For recall notification provided to Company after 5:00 p.m. and prior to 7:00 a.m., Company shall provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification. [5.3.45]

The Releasing Shipper shall provide capacity recall notification to its affected Replacement Shipper(s) at the same time it provides notification to Company. The mode of notification shall be mutually agreed between the Releasing Shipper and its Replacement Shipper(s). [5.1.2]

In the event of an intraday capacity recall, Company shall determine the allocation of capacity between the Releasing Shipper and the Replacement Shipper(s) based upon the Elapsed Prorata Capacity (EPC). Variations to the use of EPC may be necessary to reflect the nature of Company's Tariff, services, and/or operational characteristics. [5.3.56]

Company shall support the ability for the Releasing Shipper to specify, as a condition of the release, whether the Releasing Shipper's recall notification must be provided exclusively on a Business Day. [5.3.51]

Company shall support the ability for the Releasing Shipper to specify, as a condition of a capacity release Offer, which recall notification period(s), as provided in NAESB WGQ Standard No. 5.3.44 and detailed in this Subsection, will be available for use by the parties. [5.3.50]

When capacity is recalled, it may not be reput for the same Gas Day. [5.3.53]

The service flexibility available to either the Releasing Shipper or the Replacement Shipper(s) for the subject capacity shall not be less as a result of the recall. [5.1.3]

For the recall notification provided to Company, Company's Tariff shall specify whether the quantity should be expressed in terms of (i) total released capacity entitlements or (ii) adjusted total released capacity entitlements based upon the EPC. The capacity entitlements resulting from the use of either (i) or (ii) should be the same. [5.3.55] The recall notification to Company shall specify the quantity in terms of total released capacity entitlements.

The amount of capacity allocated to the Replacement Shipper(s) shall equal the original released capacity less the recalled capacity that is adjusted based upon the EPC or other Company Tariff specific variations of the EPC in accordance with NAESB WGQ Standard No. 5.3.56. [5.3.58]

21.13 Billing

- (a) Company shall invoice Replacement Shipper in accordance with Section 5 of the General Terms and Conditions based upon the rates, charges and surcharges incorporated into the Firm Transportation Agreement as a result of the release. The demand charges for the Replacement Shipper will include the demand rate at which the firm transportation service is released including all adjustments subject to Subsections 21.14(d) and 21.13(b). For releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release, the commodity charges for the Replacement Shipper will include the Maximum Commodity Rate including all adjustments subject to Subsection 21.14(d). If the Replacement Shipper fails to pay all or any portion of any bill by the due date specified on the invoice, Company shall send an invoice to the Releasing Shipper for all unpaid amounts up to the amount of the Releasing Shipper's demand charge, which the Releasing Shipper shall pay to Company with interest on the unpaid amount, which interest shall be calculated from the date that Company credited the Releasing Shipper for the applicable demand charges in accordance with Subsection 21.13(b). Releasing Shipper shall submit the payment within ten days of receipt of Company's invoice. Releasing Shipper shall be responsible for obtaining reimbursement for any such payment from Replacement Shipper. Failure of either the Replacement Shipper or Releasing Shipper to make timely payment, in accordance with Section 6 of these General Terms and Conditions, shall entitle Company to exercise the remedies available under the applicable service agreements and this Tariff, including suspension of service to the Releasing Shipper and the Replacement Shipper, as well as any other remedies available to Company.

- (b) The Releasing Shipper shall receive a demand credit equaling the demand charges for which Company has invoiced the Replacement Shipper. The demand charges for the purposes of this Section consist of the base demand rate, and all applicable surcharges. For releases made on a volumetric basis, the demand charges shall equal the daily demand rate multiplied by the volumes actually transported by the Replacement Shipper plus all applicable surcharges. A Releasing Shipper paying a discounted rate shall be entitled to receive any revenues from the release of its capacity that exceed the amount of the applicable surcharges. Company shall adjust the Releasing Shipper's demand credit to the extent necessary to implement the demand charge credits set forth in Section 37.5 of these General Terms and Conditions. In no event shall the demand charge credits as set forth in Section 37.5 of the General Terms and Conditions plus any demand credits provided under this Section 21.13 exceed in total, with respect to the Releasing Shipper and Replacement Shipper(s) combined, the total amount invoiced by Company to such Releasing Shipper and Replacement Shipper(s) combined.

21.14 Further Conditions on Release of Transportation Rights

- (a) Persons participating in this release program agree to be bound by and shall comply with the terms and conditions of this Tariff, and all applicable Commission rules, orders and regulations.
- (b) All terms and conditions in all Release Requests must be non-discriminatory, objectively stated, and applicable to all Bidders.
- (c) The minimum term for any release shall be one day and the maximum term shall be the remaining term of the Releasing Shipper's Transportation Service Agreement.
- (d) For releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release, the Bid for a volumetric release shall not exceed the daily demand rate for the released capacity. Such rate for volumetric releases only applies to the demand portion of the rate; the Replacement Shipper will also be liable for all usage charges. The rates for all other releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release shall be the applicable demand rate and commodity rate, as well as all other applicable rates, charges and surcharges set forth in this Tariff, notwithstanding any discount to such rates, charges or surcharges then in effect for the Releasing Shipper.
- (e) All terms and conditions of all releases must be consistent with the terms and conditions of the Releasing Shipper's Service Agreement and with this Tariff, including the provisions on nominations and scheduling of service and curtailment of service.
- (f) Company shall not be obligated to deliver in excess of the total daily contract quantity of the release as a result of NAESB WGQ Standard No. 5.3.55. [5.3.57]
- (g) Company shall accept nominations, schedule service, afford priority of service and curtail service based on instructions and communications from the Releasing Shipper and the Replacement Shipper that are consistent with one another and with the terms and conditions of Company's Tariff and their respective service agreements. In the event that instructions or nominations from the Releasing Shipper and Replacement Shipper are, in Company's sole opinion, inconsistent or conflicting, Company shall use reasonable efforts to contact the Releasing Shipper and Replacement Shipper to resolve the conflicting communications. In the event Company is unable to resolve the conflict prior to the time that it must take the required action, Company shall comply with the instructions of the Releasing Shipper; provided however that such instructions must not be inconsistent with Company's Tariff or

the terms of either the Releasing Shipper's or Replacement Shipper's service agreement, in Company's sole opinion. The Releasing Shipper will indemnify Company against any claim or suit by the Replacement Shipper, its successors or assigns, arising from any action taken by Company in reliance upon the Releasing Shipper's nominations and instructions and will hold Company harmless for any action taken by Company in reliance upon the nominations and scheduling instructions of the Replacement Shipper. The Replacement Shipper will indemnify Company against any claim or suit by the Releasing Shipper, its successors or assigns, arising from any action taken by Company in reliance upon the nominations and scheduling instructions of the Replacement Shipper and will hold Company harmless for any actions taken by Company in reliance upon the instructions of the Releasing Shipper.

- (h) Except as provided in Subsection 21.14(i), in the event that the Commission orders refunds of any rates charged by Company, Company shall provide refunds to applicable Releasing Shipper(s), including Replacement Shippers who acquired capacity under a permanent release, to the extent such Replacement Shippers have paid a rate in excess of Company's applicable Maximum Demand Rates. Releasing Shipper shall bear the responsibility for providing any refunds to the appropriate Replacement Shipper(s) who acquired capacity under a temporary release.
- (i) For releases not subject to the Maximum Rate, i.e., with a term of one year or less and the release is to take effect on or before one year from the date on which the Releasing Shipper notifies the Company of the release, the rate paid by the Replacement Shipper will be deemed to be a final rate and is not subject to refund.

21.15 Marketing of Capacity Release

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

21.16 Request to Purchase Releasable Capacity

Under this Section 21, Company shall provide the ability for a potential Replacement Shipper to communicate to potential Releasing Shippers, through the Company, a request to purchase capacity that is releasable. Such request shall be provided to Company electronically and shall include, at a minimum, the following types of information: contact information, quantity(ies) requested, date range, location information, other terms and conditions specified by the potential Replacement Shipper, and any additional information as required by Company. Company shall post on its Informational Postings Web site under the Notices category, pursuant to NAESB WGQ Standard No. 4.3.23, instructions on how a request shall be electronically provided to Company. [5.3.73]

Company shall post such request on its Informational Postings Web site as a Notice identified by a NAESB-defined Notice Type that indicates that it is a request to purchase capacity through the capacity release process and such Notice shall be provided pursuant to NAESB WGQ Standard No. 5.4.16. [5.3.73] Company shall post such request for the period requested by the potential Replacement Shipper.

23. ALLOCATION AND CREDITING OF PENALTIES

23.1 Amounts Invoiced for OFO and PAL Penalties

All amounts invoiced by Company as payment of OFO and PAL penalties, net of incremental administration charges, shall be credited to Eligible Customers in the month such penalties are invoiced.

For a given month, Eligible Customers are Customers who did not incur an OFO and/or PAL penalty. An Eligible Customers shall receive a pro rata allocation of the net amount invoiced based on such Customer's Scheduled Quantities during such month. The resulting allocation will be disbursed monthly to the Eligible Customers as a credit on their invoice.

Company shall post on its Informational Postings web site each month the amount invoiced for non-LMS penalties.

A non-LMS infraction within a given month will not exclude a Customer from being an Eligible Customers for any other month.

23.2 Amounts Invoiced for Daily Imbalance Penalties

All amounts invoiced by Company as payment of Daily Imbalance Charge penalties, net of incremental administration charges, shall be credited to Eligible LMS Parties for the month invoiced.

For a given day, Eligible LMS Parties are Parties who have executed an LMS agreement with Company who did not incur a Rate Schedule LMS related penalty. An Eligible LMS Party shall receive a pro rata allocation of the net amount of penalty invoiced for a day based on such Eligible LMS Party's total Scheduled Quantities for the day the penalties are incurred. The resulting daily allocation will be aggregated and disbursed on a monthly basis to the Eligible LMS Parties as a credit on their invoice.

Company shall post on its Informational Postings web site each month the amount of penalties invoiced for the Daily Imbalance Charge and the amount credited to each Eligible LMS Party.

An LMS infraction on a given day will not exclude an Eligible LMS Party from being an Eligible LMS Party for any other day within such calendar month.

24. AGENCY

A Customer may delegate to a third party (Agent), authority to exercise certain or all rights and perform certain or all obligations set forth in one or more agreements entered into between Customer and Company ("Delegated Agreements"). A Customer may delegate to Agent, the specific rights and obligations set forth above pursuant to the terms and conditions of the Agency Authorization Agreement and the terms and conditions of the underlying Delegated Agreements. A Customer may not delegate to more than one Agent the same rights and/or obligations for a Delegated Agreement(s) pursuant to the terms and conditions of the Agency Authorization Agreement.

Company, Customer and Agent must enter into an Agency Authorization Agreement provided on Company's web site (www.dtmidstream.com/company/customers) under Informational Postings and then under Forms. Such Agency Authorization Agreement must be submitted to Company at least two Business Days prior to the requested effective date. Agent shall have all rights and obligations under the Delegated Agreements as set forth in the Agency Authorization Agreement. Customer's delegation to its Agent(s) pursuant to this Section 24 shall not confer to either Customer or Agent(s) rights outside of or in contravention of the terms and conditions of the Delegated Agreements.

Company shall rely on communications and actions of Agent for all purposes that are within the authority conveyed by the Agency Authorization Agreement. Such communications with, and actions by, Agent that are within the authority conveyed by the Agency Authorization Agreement shall be deemed communications with or actions by Customer. Customer shall indemnify and hold Company harmless from suits, actions, costs, losses and expenses (including, without limitation, attorney's fees) arising from claims associated with Company's reliance on such communications and actions of Agent. If Agent fails to meet such obligations under the Delegated Agreements, then, without Company being obligated to proceed against such Agent, Customer shall be liable for all obligations under the Delegated Agreements.

A third party may administer and aggregate rights under multiple Delegated Agreements as the Agent for one or more Customer(s); provided however, that such Agent (i) shall separately administer and account for each Delegated Agreement, including without limitation submitting nominations and calculating any imbalances and (ii) shall utilize such Delegated Agreements for the transportation, supply aggregation or balancing of gas for only those Customers that have delegated the rights and obligations under their Delegated Agreements.

29. PERIODIC REPORTS

The following is a list of periodic reports that Company must make pursuant to Commission order (including an order approving tariff submissions) or to a settlement initiated under Parts 154 or 284 of the Commission's regulations:

(a) Cash Out Report

This report reflects the net cash out activity for the prior annual period, which for purposes of the report, begins on the restructuring anniversary of September 1 and must be filed with the Commission at the end of each annual period. For more information, see Company's Rate Schedule LMS.

(b) OFO Report

This report provides details regarding OFOs if issued during the previous quarter and must be provided to all Customers and Balancing Parties quarterly. For more information, see Section 8 of the General Terms and Conditions of Company's FERC Gas Tariff.

(c) Gas Sales and Purchases Report

This report describes Company's gas purchases and sales for the prior annual period, which for purposes of this report, begins on the restructuring anniversary of September 1 and must be filed with the Commission at the end of each annual period. For more information, see Section 22 of the General Terms and Conditions of Company's FERC Gas Tariff.

30. NORTH AMERICAN ENERGY STANDARDS BOARD WHOLESALE GAS QUADRANT ("NAESB WGQ") STANDARDS

Compliance with 18 CFR, Section 284.12

Company has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 4.0, and the standard revised by Minor Correction MC24002 marked with an asterisk [*], which are required by the Commission in 18 CFR Section 284.12(a). Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards not Incorporated by Reference and their Location in Tariff:

Pursuant to NAESB's Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver as adopted by the NAESB Board of Directors on April 4, 2013, Company may publish in its tariff, compliance filings, in communications with customers or stakeholders in conducting day to day business or in communications with regulatory agencies some or all of the language contained in NAESB standards protected by copyright, provided that Company includes appropriate citations in the submission.

Company has elected to reproduce the following NAESB WGQ standards and selected optional principles subject to NAESB's limited copyright waiver. With respect to each reproduced standard, Company incorporates the following: © 1996 – 2023 NAESB, all rights reserved.

<u>NAESB Standard</u>	<u>Tariff Record</u>	<u>Tariff Provision</u>
Creditworthiness Standards:		
0.3.3	Part 8, Section 25 Requests for Service	25.5.1(b)
0.3.4	Part 8, Section 25 Requests for Service	25.5.2(b)
0.3.5	Part 8, Section 25 Requests for Service	25.5.2(c)
0.3.6	Part 8, Section 25 Requests for Service	25.5.1(c)
0.3.7	Part 8, Section 25 Requests for Service	25.5.1(a); 25.5.2(a)
0.3.8	Part 8, Section 25 Requests for Service	25.5.2(d)
0.3.9	Part 8, Section 25 Requests for Service	25.5.1(d)
0.3.10	Part 8, Section 25 Requests for Service	25.5.3
General Applicable Standards:		
0.3.17	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.11
Nominations Related Standards:		
1.1.10	Part 8, Section 9 Title to Gas	9.3.1
1.1.11	Part 8, Section 9 Title to Gas	9.3.1
1.1.12	Part 8, Section 8 Operational Flow Orders (OFO)	8.2
1.1.16	Part 5, Section 5 Invoicing	5.1
1.1.21	Part 8, Section 9 Title to Gas	9.3.1
1.2.6	Part 8, Section 1 Definitions	Definition: "Operational Flow Order" or "OFO"
1.2.13	Part 8, Section 1 Definitions	Definition: "Title"
1.2.14	Part 8, Section 1 Definitions	Definition: "Title Transfer"

1.2.15	Part 8, Section 1 Definitions	Definition: "Title Transfer Tracking"
1.2.16	Part 8, Section 1 Definitions	Definition: "Title Transfer Tracking Service Provider"
1.2.17	Part 8, Section 1 Definitions	Definition: "Third Party Account Administrator"
1.2.19	Part 8, Section 1 Definitions; Part 8, Section 9 Title to Gas	Definition: "Title Transfer Nomination"; 9.3.2
1.3.1	Part 8, Section 1 Definitions	Definition: "day" or "Gas Day"
1.3.2(i-vi)	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.1(i-vi)
1.3.14	Part 8, Section 1 Definitions	Definition: "Dekatherm"
1.3.16	Part 8, Section 38 Fuel Retention Percentage Adjustment	38.2
1.3.26	Part 8, Section 8 Operational Flow Orders (OFO)	8.5
1.3.51	Part 8, Section 11 Notices	11.4
1.3.64	Part 8, Section 9 Title to Gas	9.3.1
1.3.65	Part 8, Section 9 Title to Gas	9.3.1
1.3.66	Part 8, Section 9 Title to Gas	9.3.3
1.3.67	Part 8, Section 9 Title to Gas	9.3.3
1.3.68	Part 8, Section 9 Title to Gas	9.3.1
1.3.69	Part 8, Section 9 Title to Gas	9.3.3
1.3.71	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.4.3
1.3.72	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.3
1.3.73	Part 8, Section 9 Title to Gas	9.3.3
1.3.74	Part 8, Section 9 Title to Gas	9.3.1
1.3.76	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.3
1.3.77	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.3
Flowing Gas Related Standards:		
2.2.2	Part 8, Section 1 Definitions	Definition: "Operational Impact Area"
2.2.3	Part 8, Section 1 Definitions; Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	Definition: "Netting"; 3.10
2.3.11	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.12	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.13	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.14	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.19	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.4.3
2.3.26	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.4.5
2.3.29	Part 8, Section 36 Operational Balancing Agreement Policy	36.2

2.3.30	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.31	Part 8, Section 6 Payments; Part 8, Section 36 Operational Balancing Agreement Policy	6.4; 36.2
2.3.40	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.41	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.42	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.43	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.44	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.45	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.47	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10

Invoicing Related Standards:

3.2.1	Part 8, Section 1 Definitions	Definition: "Business Day"
3.3.3	Part 8, Section 5 Invoicing	5.4
3.3.4	Part 8, Section 5 Invoicing	5.4
3.3.5	Part 8, Section 5 Invoicing	5.4
3.3.6	Part 8, Section 5 Invoicing	5.4
3.3.7	Part 8, Section 5 Invoicing	5.4
3.3.9	Part 8, Section 5 Invoicing	5.4
3.3.10	Part 8, Section 5 Invoicing	5.4
3.3.11	Part 8, Section 5 Invoicing	5.4
3.3.12	Part 8, Section 5 Invoicing	5.4
3.3.13	Part 8, Section 5 Invoicing	5.4
3.3.14	Part 8, Section 5 Invoicing	5.2
3.3.15	Part 8, Section 6 Payments	6.4
3.3.16	Part 8, Section 6 Payments	6.4
3.3.17	Part 8, Section 6 Payments	6.1
3.3.18	Part 8, Section 6 Payments	6.1
3.3.19	Part 8, Section 6 Payments	6.1
3.3.21	Part 8, Section 6 Payments	6.4

Quadrant Electronic Delivery Mechanism Related Standards:

4.1.40	Part 8, Section 2 Gas Quality and Pressure	2.8.2
4.2.10	Part 8, Section 1 Definitions	Definition: "Customer Activities"
4.3.89	Part 8, Section 2 Gas Quality and Pressure	2.8.1
4.3.90	Part 8, Section 2 Gas Quality and Pressure	2.8.1
4.3.91	Part 8, Section 2 Gas Quality and Pressure	2.8.1
4.3.92	Part 8, Section 2 Gas Quality and Pressure	2.8.1

Capacity Release Related Standards:

5.1.2	Part 8, Section 21 Capacity Release	21.12
5.1.3	Part 8, Section 21 Capacity Release	21.12
5.1.4	Part 8, Section 11 Notices	11.6
5.2.1	Part 8, Section 11 Notices	11.3

5.2.2	Part 8, Section 11 Notices	11.5
5.2.3	Part 8, Section 1 Definitions	Definition: "Elapsed Prorata Capacity" or "EPC"
5.3.1	Part 8, Section 21 Capacity Release	21.11(f)
5.3.2	Part 8, Section 21 Capacity Release	21.11(a) – (c)
5.3.3	Part 8, Section 21 Capacity Release	21.11(d) & (e)
5.3.4	Part 8, Section 21 Capacity Release	21.10(b)
5.3.18	Part 8, Section 11 Notices	11.2
5.3.26	Part 8, Section 21 Capacity Release	21.10(a)
5.3.34	Part 8, Section 11 Notices	11.5
5.3.35	Part 8, Section 11 Notices	11.5
5.3.36	Part 8, Section 11 Notices	11.5
5.3.37	Part 8, Section 11 Notices	11.5
5.3.38	Part 8, Section 11 Notices	11.5
5.3.39	Part 8, Section 11 Notices	11.5
5.3.40	Part 8, Section 11 Notices	11.4
5.3.44	Part 8, Section 21 Capacity Release	21.12(a) – (f)
5.3.45	Part 8, Section 21 Capacity Release	21.12
5.3.49	Part 8, Section 11 Notices	11.6
5.3.50	Part 8, Section 21 Capacity Release	21.12
5.3.51	Part 8, Section 21 Capacity Release	21.12
5.3.52	Part 8, Section 11 Notices	11.6
5.3.53	Part 8, Section 21 Capacity Release	21.12
5.3.54	Part 8, Section 21 Capacity Release	21.12(g)
5.3.55	Part 8, Section 21 Capacity Release	21.12
5.3.56	Part 8, Section 21 Capacity Release	21.12
5.3.57	Part 8, Section 21 Capacity Release	21.14(f)
5.3.58	Part 8, Section 21 Capacity Release	21.12
5.3.59	Part 8, Section 21 Capacity Release	21.10(b)
5.3.60	Part 8, Section 25 Requests for Service	25.5.1(e)
5.3.73	Part 8, Section 21 Capacity Release	21.16

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:
 0.2.5

Standards:
 0.3.1, 0.3.2, 0.3.16

Gas/Electric Operational Communications:

Definitions:
 0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:
 0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:

0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets:

0.4.2, 0.4.3

Location Data Download:

Standards:

0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29

Dataset:

0.4.4

Storage Information:

Dataset:

0.4.1

Nominations Related Standards:

Definitions:

1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.18

Standards:

1.3.3, 1.3.4, 1.3.5, 1.3.6, 1.3.7, 1.3.8, 1.3.9, 1.3.11, 1.3.13, 1.3.15, 1.3.17, 1.3.18, 1.3.19, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.70, 1.3.75, 1.3.79, 1.3.80, 1.3.81, 1.3.82

Datasets:

1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7

Flowing Gas Related Standards:

Definitions:

2.2.1, 2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.9, 2.3.10, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.27, 2.3.28, 2.3.32, 2.3.46, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.3.66

Datasets:

2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.17, 2.4.18

Invoicing Related Standards:

Standards:

3.3.8, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Datasets:

3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:

4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.85, 4.3.86, 4.3.87, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.110

Capacity Release Related Standards:

Definitions:

5.2.4, 5.2.5

Standards:

5.3.5, 5.3.7, 5.3.8, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.13, 5.3.14, 5.3.15, 5.3.16, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.24, 5.3.25, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.48, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72

Datasets:

5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 5.4.24, 5.4.25, 5.4.26, 5.4.27

Cybersecurity Related Standards:

Definitions:

12.2.1, 12.2.2, 12.2.3, 12.2.4, 12.2.5, 12.2.6, 12.2.7, 12.2.8, 12.2.9, 12.2.10, 12.2.11, 12.2.12, 12.2.13, 12.2.14, 12.2.15, 12.2.16, 12.2.17, 12.2.18, 12.2.19, 12.2.20, 12.2.21, 12.2.22, 12.2.23, 12.2.24, 12.2.25, 12.2.26, 12.2.27, 12.2.28, 12.2.29, 12.2.30, 12.2.31, 12.2.32, 12.2.33, 12.2.34, 12.2.35, 12.2.36, 12.2.37, 12.2.38, 12.2.39, 12.2.40, 12.2.41

Standards:

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34. ELECTRONIC CONTRACT EXECUTION

Electronic contract execution is available to Customers provided that such party shall have previously
1) met the requirements of the applicable Rate Schedule and the General Terms and Conditions of this
Tariff and 2) received electronic contracting rights for Company's Customer Activities site.

36. OPERATIONAL BALANCING AGREEMENT POLICY

36.1 Purpose

The Operational Balancing Agreement (OBA) is intended to govern the treatment of any differences between the actual quantity of gas received/delivered at a point of interconnection with Company's system and the quantity of gas that is scheduled.

Company's OBA shall be based upon the NAESB WGQ Model OBA whenever possible. [6.5.2]

Company considers an OBA to be a predetermined allocation method.

36.2 Policy

It is Company's policy to negotiate and execute, if possible, the Company's applicable form of OBA at all points of interconnection. However, if an OBA does not exist at a point of interconnection, the imbalance charges, cash-outs, or penalties incurred at such point shall be the responsibility of Customer(s) that are out of balance. Company shall enter into an OBA at all pipeline-to-pipeline (interstate and intrastate) interconnects. [2.3.29]

During the term of the settlement approved in Docket No. RP21-525-000, Company is obligated to attempt to enter into and maintain OBAs at all points, including those not covered by pipeline-to-pipeline OBAs.

If it is not possible to utilize Company's form of OBA for an interstate pipeline interconnection, an acceptable OBA for such interconnection must include the following provisions:

- (a) The OBA must be in energy terms with stated bases.
- (b) The OBA parties intend that the quantity actually received/delivered each day at the interconnection will equal the scheduled nominations.
- (c) Any difference between the metered quantity and the scheduled nomination is treated as an OBA imbalance and exists solely between the OBA parties.
- (d) The OBA parties will take the necessary steps to ensure that the cumulative daily OBA imbalance is maintained at or tends towards a zero imbalance. No imbalance penalty shall be imposed when a prior period adjustment applied to the current period causes or increases a current month penalty. [2.3.31]
- (e) The OBA parties will regularly reconcile scheduled nominations during a given production month. A mutually agreed upon scheduled nomination summary must be completed as soon as practical after each production month end.
- (f) The monthly metered flow data for such interconnection will be determined and communicated by the Measurement Party in writing as soon as possible to the other OBA party.
- (g) The OBA parties at such interconnection may temporarily suspend the OBA in accordance with the terms thereof if either party discovers or anticipates extraordinary circumstances, such as significant interruption of transportation service, severe weather, issuance of an Operational Flow Order, or some other event which affects the gas supplies available for delivery at the interconnection.

- (h) A mutually agreeable commencement date, termination date, and cancellation clause.

An operational imbalance at a given point of interconnection is subject to resolution under Rate Schedule LMS, if applicable, as set forth in the form of OBA.

36.3 Posting

During the term of the settlement approved in Docket No. RP21-525-000, Company shall post to its Informational Postings web site a notice of any Receipt Point or Delivery Point for which there is not an effective OBA in place.

39. LOAD MANAGEMENT SERVICE COST RECONCILIATION ADJUSTMENT

39.1 General

- (a) This Section of these General Terms and Conditions sets forth the mechanism to reconcile through surcharges or refunds, as appropriate, differences between the cost to Company to maintain its line pack gas and the amounts Company receives or pays for such gas arising out of the purchase and sale of such gas (1) to resolve Balancing Party imbalances as provided for pursuant to Rate Schedule LMS (2) to resolve imbalances associated with OBAs at pipeline interconnects; and/or (3) as may be otherwise necessary to maintain an appropriate level of line pack for system management purposes.
- (b) The Load Management Service Cost Reconciliation (“LMSCRA”) refund and surcharge pursuant to this Part 39 is applicable to all Customer daily imbalances at a Receipt Point and Delivery Point used under Part 7.31, Rate Schedule LMS.
- (c)
 - (i) For each Gas Day that a Customer makes use of a Receipt Point or Delivery Point for which there is no effective OBA in place such Customer will be responsible for Customer’s daily imbalances at such point and shall be responsible for any LMSCRA surcharges associated with such imbalances, which charges shall be billed to such Customer’s monthly invoice.
 - (ii) Notwithstanding the foregoing subsection (c)(i), if for any given Gas Day in which a Receipt Point or Delivery Point is not covered by Rate Schedule LMS or by an effective OBA and Company’s Informational Postings web site does not provide notice that such point is not covered by an effective OBA prior to the Timely Nomination Cycle for that Gas Day, then any Customers making use of such point shall not be responsible for any LMSCRA refunds or surcharges at such Receipt Point or Delivery Point on that Gas Day.
 - (iii) A Customer shall not be assessed any LMSCRA refund or surcharge associated with a daily imbalance at a Receipt Point or Delivery Point to the extent such imbalance is incurred under a negotiated rate FT-A, FT-B, FT-C, FT-D, and FT-GS Agreement, unless such agreement expressly provides for the application of the LMSCRA refund or surcharge. Where customer has more than one FT-A, FT-B, FT-C, FT-D, and FT-GS Agreement that includes at least one negotiated rate service agreement and all receipts or deliveries under the service agreements are made pursuant to a single LMS rate schedule, then any daily imbalance created under such LMS rate schedule will be treated as attributable to the negotiated rate agreement such that no LMSCRA refund or surcharge will apply to all of such service agreements during the term of any negotiated rate service agreement.
 - (iv) The provisions in this subsection (c) shall apply during the term of the settlement approved in Docket No. RP21-525-000.

39.2 Definitions

Load Management Annual Period - The twelve-month period beginning each November 1.

Load Management Deferred Period - The twelve-month period ending each July 31.

Load Management Deferred Beginning Balance – The balance in Company’s account 182.3, \$2,695,161 due to Company as of October 31, 2020 to be amortized over a five-year period beginning November 1, 2021 as a component of the Load Management Service Cost Reconciliation.

Load Management Annual Beginning Balance Amortization – The amortization which is one fifth of the Load Management Deferred Beginning Balance which is annually added to the Load Management Deferred Account balance in 39.3(b) below.

39.3 Load Management Cost Reconciliation

- (a) Company shall refund if the calculated total of the adjusted balance of the Load Management Deferred Account is a credit. Company shall surcharge if the calculated total of the adjusted balance of the Load Management Deferred Account is a debit.
- (b) Company shall add the Load Management Annual Beginning Balance Amortization to the balance of the Load Management Deferred Account and divide such calculated total balance to be surcharged or refunded by the aggregate absolute value in quantities in Dth for which Company provided service under its Rate Schedule LMS during the Load Management Deferred Period to calculate the "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund."
- (c) Company shall file the "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund" with the Federal Energy Regulatory Commission at least thirty Gas Days prior to each November 1 that is the beginning of the Load Management Annual Period.
- (d) The "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund" shall be shown on the Statement of Rates of Company's FERC Gas Tariff as an adjustment to Company's Rate Schedule LMS rate.
- (e) The total amount of any such refunds applied during any month under the "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund" shall be debited to the Load Management Deferred Account and the total amount of any such surcharges collected during any month under the "Load Management Services Cost Reconciliation Adjustment - Surcharge or Refund" shall be credited to the Load Management Deferred Account.
- (f) The Load Management Deferred Account shall be adjusted to reflect carrying charges calculated in accordance with Section 154.501 of the Commission’s regulations.

39.4 Termination of the Load Management Cost Reconciliation Adjustment

In the event that the Load Management Cost Reconciliation Adjustment is terminated, the balance remaining in the Load Management Deferred Account as adjusted to reflect carrying charges calculated in accordance with Section 154.501 of the Commission's Regulations, if a debit, shall be billed and, if a credit, shall be refunded to Balancing Parties on the basis of LMS imbalances.

MIDWESTERN GAS TRANSMISSION COMPANY
PARK AND LOAN ("PAL") AGREEMENT
Rate Schedule FPAL or PAL

THIS AGREEMENT (Agreement No. _____) is made and entered into as of _____, 20____, by and between MIDWESTERN GAS TRANSMISSION COMPANY, hereinafter referred to as "Company" and _____, hereinafter referred to as "Customer." Company and Customer shall be collectively referred to as "Parties."

WITNESSETH:

That, in consideration of their respective covenants and agreements herein contained, Company and Customer agree as follows:

ARTICLE 1 - DEFINITIONS

The definitions found in Section 1 of the General Terms and Conditions of Company's FERC Gas Tariff are incorporated herein by reference.

ARTICLE 2 - BASIC RECEIPTS

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Parking Point. Once scheduled by Company, Company shall receive gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 3 - BASIC DELIVERIES

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Lending Point. Once scheduled by Company, Company shall deliver gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 4 - RATES

Rates for service under this Agreement shall be at Company's Maximum Rate plus all applicable surcharges in effect under the applicable Rate Schedule (FPAL or PAL) unless otherwise agreed to by the parties and set forth in the Exhibit(s) A attached hereto.

ARTICLE 5 - PAYMENTS

Customer shall make payments to Company in accordance with the terms and conditions specified on the Exhibit(s) A attached hereto, the applicable Rate Schedule (FPAL or PAL), Section 6 of the General Terms and Conditions, and the other applicable terms and provisions of this Agreement.

ARTICLE 6 - CHANGE IN TARIFF PROVISIONS

Upon notice to Customer, Company shall have the right to file with the Federal Energy Regulatory Commission any changes in the terms of any of its Rate Schedules, General Terms and Conditions or Form of Agreement as Company may deem necessary, and to make such changes effective at such times as Company desires and is possible under applicable law. Customer may protest any filed changes before the Federal Energy Regulatory Commission and exercise any other rights it may have with respect thereto.

ARTICLE 7 - TERM

This Agreement shall become effective _____ and shall continue in full force and effect until _____ and month-to-month thereafter. Either party may elect to terminate this Agreement as of the end of said initial term or as of the end of any extended period (Termination Date) by giving thirty (30) days' prior written notice to the other party of such termination to be effective on the Termination Date.

Termination of this Agreement shall not relieve Customer of the obligation to pay money due hereunder to Company and shall be in addition to any other remedies that Company may have.

ARTICLE 8 - APPLICABLE LAW AND SUBMISSION TO JURISDICTION

This Agreement and Company's Tariff, and the rights and obligations of Company and Customer thereunder are subject to all relevant and United States lawful statutes, rules, regulations and orders of duly constituted authorities having jurisdiction. Subject to the foregoing, this Agreement shall be governed by and interpreted in accordance with the laws of the State of Oklahoma. For purposes of legal proceedings, this Agreement shall be deemed to have been made in the State of Oklahoma and performed there, and the Courts of that State shall have jurisdiction over all disputes which may arise under this Agreement, provided always that nothing herein contained shall prevent Company from proceeding at its election against Customer in the Courts of any other State, Province or Country.

At the Company's request, the Customer shall irrevocably appoint an agent in Oklahoma to receive, for it and on its behalf, service of process in connection with any judicial proceeding in Oklahoma relating to the Agreement. Such service shall be deemed completed on delivery to such process agent (even if not forwarded to and received by the Customer.) If said agent ceases to act as a process agent within Oklahoma on behalf of Customer, the Customer shall appoint a substitute process agent within Oklahoma and deliver to the Company a copy of the new agent's acceptance of that appointment within 30 days.

ARTICLE 9 - SUCCESSORS

Any person which shall succeed by purchase, amalgamation, merger or consolidation to the properties, substantially as an entirety, of Customer or of Company, as the case may be, and which shall assume all obligations under Customer's Agreement of Customer or Company, as the case may be, shall be entitled to the rights, and shall be subject to the obligations, of its predecessor under Customer's Agreement. Any such successor must obtain any required regulatory approvals to make such assignment or transfer. Either party to a Customer's Agreement may pledge or charge the same under provisions of any mortgage, deed of trust, indenture, security agreement or similar instrument which it has executed, or, subject to any required regulatory approvals, assign such Agreement to any affiliated Person (which for such purpose shall mean any person which controls, is under common control with or is controlled by such party). Nothing contained in this Article 9 shall, however, operate to release predecessor Customer from its obligation under its Agreement unless Company shall, in its sole discretion, consent in writing to such release and Customer and

the successor have obtained any required regulatory approvals. Company shall not release any Customer from its obligations under its Agreement unless: (a) such release is effected pursuant to an assignment of obligations by such Customer, and the assumption thereof by the assignee, and the terms of such assignment and assumption render the obligations being assigned and assumed no more conditional and no less absolute than those at the time provided therein; and (b) such release is not likely to have a substantial adverse effect upon Company. Customer shall, at Company's request, execute such instrument and take such other action as may be desirable to give effect to any such assignment of Company's rights under such Customer's Agreement or to give effect to the right of a Person whom the Company has specified pursuant to Section 6 of the General Terms and Conditions of Company's FERC Gas Tariff as the Person to whom payment of amounts invoiced by Company shall be made; provided, however, the: (a) Customer shall not be required to execute any such instruments or take any such other action the effect of which is to modify the respective rights and obligations of either Customer or Company under this Agreement; and (b) Customer shall be under no obligation at any time to determine the status or amount of any payments which may be due from Company to any Person whom the Company has specified pursuant to said Section 6 as the Person to whom payment of amounts invoiced by Company shall be made.

ARTICLE 10 - OTHER OPERATING PROVISIONS

(This Article to be utilized when necessary to specify other operating provisions.)

ARTICLE 11 - EXHIBIT A OF AGREEMENT, RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

Customer shall initiate a request for FPAL or PAL service by executing and delivering to Company one or more Exhibit(s) A. Upon execution by Company, Customer's Exhibit(s) A shall be incorporated in and made a part hereof.

Company's Rate Schedules and General Terms and Conditions, which are on file with the Federal Energy Regulatory Commission (FERC) and in effect, and Exhibit(s) A hereto are all applicable to this Agreement and are hereby incorporated by reference and made a part of this Agreement. To the extent a term or condition set forth in this Agreement is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Agreement is inconsistent with the applicable Rate Schedule, the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first set forth above.

MIDWESTERN GAS TRANSMISSION COMPANY

By: _____

Title: _____

(NAME OF CUSTOMER)

By: _____

Title: _____

MIDWESTERN GAS TRANSMISSION COMPANY
EXHIBIT A TO PARK AND LOAN ("PAL") AGREEMENT
Rate Schedule PAL

COMPANY: Midwestern Gas Transmission Company

CUSTOMER: _____

TYPE OF AGREEMENT: (Parking or Lending)

PARK AND LOAN (PAL) SERVICE OPTIONS:

	Check Option	Park/Loan Start Date	Park/Loan End Date	Withdrawal/ Payback Start Date	Withdrawal/ Payback End Date	Maximum PAL Quantity Dekatherms	Daily*** Rate per Dekatherm	Parking Point	Lending Point
1) Customer Nominated Parking/Lending Service (NPL)*	☐						-----	-----	-----
2) Customer Requested Term Parking/Lending Service (RPL)**	☐								
3) Company Offered Parking/Lending Service (OPL)**	☐								
4) Customer Authorized Automatic Parking/ Lending Service (APL)*	☐							-----	-----

Ratable Schedule: (Yes or No)

*Maximum PAL Quantity available on a daily basis during the term of the Exhibit A.

**Maximum PAL Quantity available during the term of the Exhibit A.

***If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of _____, 20____.

Agreement No. _____

MIDWESTERN GAS TRANSMISSION COMPANY
EXHIBIT A TO FIRM PARK AND LOAN ("FPAL") AGREEMENT
Rate Schedule FPAL

COMPANY: Midwestern Gas Transmission Company

CUSTOMER: _____

TYPE OF AGREEMENT: (Parking or Lending)

FIRM PARK AND LOAN (FPAL) SERVICE:

Park/Loan Start Date	Park/Loan End Date	Withdrawal/ Payback Start Date	Withdrawal/ Payback End Date	Maximum PAL* Quantity (Dth)	Daily Demand** Rate per Dekatherm	Commodity Rate per Dekatherm	Parking Point	Lending Point
-------------------------	-----------------------	--------------------------------------	------------------------------------	--------------------------------	---	------------------------------------	------------------	------------------

Ratable Schedule: (Yes or No)

*Maximum FPAL Quantity available during the term of the Exhibit A.

**If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of _____, 20____.

Agreement No. _____

MIDWESTERN GAS TRANSMISSION COMPANY
SUPPLY AGGREGATION SERVICE AGREEMENT
Rate Schedule SA

THIS AGREEMENT (Agreement No. _____) is made and entered into as of _____, 20____, by and between MIDWESTERN GAS TRANSMISSION COMPANY, hereinafter referred to as "Company," and _____, hereinafter referred to as "Aggregator." Company and Aggregator shall collectively be referred to herein as the "Parties."

WITNESSETH:

That, in consideration of their respective covenants and agreements herein contained, Company and Aggregator agree as follows:

ARTICLE 1 - SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof and of Company's Rate Schedule SA, Company agrees to permit Aggregator to aggregate nominated quantities of gas, under any of Company's transportation rate schedules, at a Supply Aggregation Point (SA Point) pursuant to Rate Schedule SA.

ARTICLE 2 - CHARGES FOR SUPPLY AGGREGATION SERVICE

- 2.1 IMBALANCE CHARGES - Commencing upon the date of execution hereof, any charges related to imbalances at the physical point(s) served by the SA Point shall be paid by Aggregator to Company in accordance with Company's Rate Schedules SA and LMS as well as the General Terms and Conditions of Company's FERC Gas Tariff.
- 2.2 CHANGES IN CHARGES - Aggregator agrees that Company shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the charges applicable to service pursuant to Company's Rate Schedule SA, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules or this Agreement. Company agrees that Aggregator may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Company's existing FERC Gas Tariff as may be found necessary to assure Company just and reasonable rates.

ARTICLE 3 - INVOICING AND PAYMENTS

Company shall bill and Aggregator shall pay all charges in accordance with Sections 5 and 6, respectively, of the General Terms and Conditions of Company's Gas Tariff.

ARTICLE 4 - RATE SCHEDULES, GENERAL TERMS AND CONDITIONS
AND EXHIBIT A OF AGREEMENT

Company's Rate Schedules and General Terms and Conditions which are on file with the Federal Energy Regulatory Commission (FERC) and in effect, and Exhibit A hereto are all applicable to this Agreement and

are hereby incorporated by reference, and made part of this Agreement. To the extent a term or condition set forth in this Agreement is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Agreement is inconsistent with the applicable Rate Schedule, then the terms and conditions of the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

ARTICLE 5 - REGULATION

This Agreement shall be subject to all applicable lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Company. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

ARTICLE 6 - TERM

- 6.1 This Agreement shall be effective as of _____ and shall remain in force and effect on a month to month basis thereafter unless this contract is terminated as hereinafter provided. This Agreement may be terminated by either Company or Aggregator upon 30 days prior written notice to the other.
- 6.2 Any portion of this Agreement necessary to resolve imbalances under this Agreement as required by the Rate Schedules SA and LMS and the General Terms and Conditions of Midwestern's Gas Tariff shall survive the other parts of the Agreement until such time as such balancing has been accomplished; provided, however, that Company notifies Aggregator of such imbalance no later than twelve months after the termination of this Agreement.
- 6.3 This Agreement will terminate automatically in the event Aggregator fails to pay the entire amount of any bill for service rendered by Company hereunder in accordance with the terms and conditions of Section 6 of the General Terms and Conditions of Company's FERC Tariff.

ARTICLE 7 - NOTICE

Notices shall be provided in accordance with Subsection 11.1 of the General Terms and Conditions of Company's FERC Gas Tariff.

ARTICLE 8 - ASSIGNMENTS

- 8.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated subject to any required regulatory approvals.
- 8.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement, subject to any required regulatory approvals.

ARTICLE 9 - MISCELLANEOUS

- 9.1 The interpretation and performance of this Contract shall be in accordance with and controlled by the laws of the State of Oklahoma, without regard to the doctrines governing choice of law.
- 9.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 9.3 Unless otherwise expressly provided in this Agreement or Company's Gas Tariff, no modification or supplement to the terms and provisions stated in this Agreement shall be or become effective until Aggregator has submitted a request for change and Aggregator has been notified of Company's agreement to such change. Such modifications or supplements shall be set forth on Exhibit A attached to this Agreement.

ARTICLE 10 - OTHER PROVISIONS

(If none so state) _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

MIDWESTERN GAS TRANSMISSION COMPANY

By: _____

Title: _____

(NAME OF AGGREGATOR)

By: _____

Title: _____

MIDWESTERN GAS TRANSMISSION COMPANY
SUPPLY AGGREGATION SERVICE AGREEMENT

EXHIBIT "A"

DATED _____, _____

BETWEEN

MIDWESTERN GAS TRANSMISSION COMPANY

AND

SA Point	Location Code	
_____	_____	
Point(s)	Location Code	Predetermined Ranking(s)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(This Exhibit A supersedes and cancels Exhibit A dated _____ to the Supply
Aggregation Agreement dated _____.)

The effective date of this Exhibit A is _____, 20____.

Agreement No. _____

Appendix B

Marked Tariff Record

FERC GAS TARIFF
VOLUME NO. 1
OF
MIDWESTERN GAS TRANSMISSION COMPANY
FILED WITH THE
FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed to:

~~Denise Adams~~E. Adina Owen
~~Director, Regulatory Affairs~~Assistant General Counsel II
E-mail: ~~regulatoryaffairs@oneok.com~~regulatory@dtmidstream.com; adina.owen@dtmidstream.com
Telephone: ~~(918) 732-1408~~(313) 774-2614
Facsimile: ~~(918) 713~~732-1363~~224-6226~~

Mailing Address:
~~MIDWESTERN GAS TRANSMISSION COMPANY~~

~~P. O. Box 871
Tulsa, Oklahoma 74102-0871~~

~~Address for Courier Delivery:~~
~~MIDWESTERN GAS TRANSMISSION COMPANY~~Midwestern Gas Transmission Company
~~ONEOK Plaza~~500 Woodward Ave.
~~100 West 5th Street~~Suite 2900
~~Tulsa, Oklahoma 74103~~Detroit, Michigan 48226

Web Address: ~~www.oneok.com/mgt~~www.dtmidstream.com/company/customers

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General Terms and Conditions (GT&C)	8.0
Forms of Service Agreements:	9.0
Firm Transportation Agreement (FT-A/FT-GS)	9.10
Firm Transportation Agreement (FT-B)	9.11
Firm Transportation Agreement (FT-C)	9.12
Firm Transportation Agreement (FT-D)	9.13
Interruptible Transportation Agreement (IT)	9.20
Park and Loan Agreement (PAL)	9.30
Supply Aggregation Service Agreement (SA)	9.31
Third Party Balancing Agreement (TPB)	9.32
Form of Released Firm Transportation Agreement	9.33
Non-Conforming and Negotiated Rate Agreements	10.0

SYSTEM MAP

Midwestern's System Map may be viewed and downloaded ~~on its web site, at~~
~~<http://www.oneok.com/mgt>~~~~<https://dtmidstream.com/company/customers>~~, by selecting "Midwestern (MGT)
Informational Postings" then "~~MGT System Maps~~."

RATE SCHEDULE FT-A
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on the Mainline on a firm basis by Company for any Customer.

Mainline shall be defined as the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service contracted shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity for the Transportation Path set forth in Exhibit A of the FT-A Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines firm capacity is available on the Mainline to any Customer in the order in which each Customer has fulfilled the requirements of Section 3 below.

2.2 Service shall be allocated and scheduled pursuant to Subsections 3.7, 3.8 and Section 15 of the General Terms and Conditions of Company's FERC Gas Tariff. However, service may be curtailed for any of the reasons set out in Section 10 of the General Terms and Conditions of Company's FERC Gas Tariff or whenever necessary to maintain gas quality or the integrity of Company's system.

2.3 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

3.1 All Customers requesting firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

3.2 All Customers requesting firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-A (FT-A Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity, any Receipt Point on Company's Mainline shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity, any Delivery Point on Company's Mainline shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

On any given day, quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity under the Customer's FT-A Agreement at any mainline location.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-A are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-A Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer, that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-A Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer, unless the parties have executed an FT-A Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedules ~~LMS-MA or LMS-PA~~, and Sections ~~3.9~~, and ~~Subsection 3.9~~ of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Mainline shall be the Rate Schedule IT - Eastern Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to.

(a) Demand Charge

A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-A Agreement.

(b) Commodity Charge

The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and

(c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-A Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-B
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on the Eastern Mainline on a firm basis by Company for any Customer.

The Eastern Mainline shall be defined as the approximate 30.9 miles of 16-inch diameter pipeline commencing at Company's existing mainline compressor station located near Portland, Tennessee and traversing southeasterly to two (2) interstate pipeline interconnections with 1) Columbia Gulf Transmission Company and 2) East Tennessee Natural Gas Company located near Hartsville, Tennessee in Trousdale County, Tennessee.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service rendered shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity set out in the FT-B Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines firm capacity is available on the Eastern Mainline to any Customer in accordance with the requirements of Section 3 below.

2.2 Service shall be allocated and scheduled pursuant to Subsection 3.7 and Section 15 of the General Terms and Conditions. However, service may be curtailed for any of the reasons set out in Section 10 of the General Terms and Conditions.

2.3 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

3.1 All Customers requesting firm transportation service under this Rate Schedule must qualify pursuant to the applicable Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

3.2 All Customers requesting firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-B (FT-B Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity, any Receipt Point on Company's Eastern Mainline shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity, any Delivery Point on Company's Eastern Mainline shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

Quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity of the Transportation Path specified in Exhibit A of Customer's FT-B Agreement.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-B are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-B Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions and Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-B Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer, unless the parties have executed an FT-B Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedules ~~LMS-MA or LMS-PA~~, and Sections ~~3.9~~, and ~~Subsection 3.9~~ of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Eastern Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Eastern Mainline shall be the Rate Schedule IT - Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Eastern Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and for gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

(a) Demand Charge

A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-B Agreement.

(b) Commodity Charge

The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and

(c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-B Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-C
FIRM TRANSPORTATION SERVICE (Conditional)

1. AVAILABILITY

This Rate Schedule is available for the conditional firm transportation of natural gas by Company for any Customer on the Mainline.

Mainline shall be defined as the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.

The Transportation Paths for service under this Rate Schedule shall be limited to southbound flows between the receipt point at the existing Panhandle Scotland interconnect (at approximately milepost 231.53), and the delivery point at Portland Tennessee (at approximately milepost 0) (the "Scotland-Portland Segment"), and as may be further specified in Exhibit A of the FT-C Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service contracted shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity for the Transportation Path set forth in Exhibit A of the FT-C Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines conditional firm capacity is available on the Mainline to any Customer in the order in which each Customer has fulfilled the requirements of Section 3 below.

2.2 Company shall provide service under Rate Schedule FT-C transportation by means of a turbine compressor engine located at Company's Paris, Illinois compressor station (together with any replacement engine, the "Paris Turbine") from a receipt point at the existing Panhandle Scotland interconnect point to a delivery point at Portland, Tennessee, including all intermediate points. The Paris Turbine is subject to air emissions restrictions that prevent Company from operating it more than 6090 hours during any rolling twelve (12) month period. FT-C Service is subject to curtailment (an "FT-C Curtailment") when such interruption is due to a shutdown of the Paris Turbine to avoid exceeding this operating limit. Any other interruption or curtailment (including those arising from shutdown of the Paris Turbine for other reasons) of firm service due to force majeure or otherwise would apply to all affected firm service equally and would not be an FT-C Curtailment, as defined above. For purposes of determining demand charge credits only (and without affecting the allocation of capacity among Customers), if an FT-C Curtailment occurs concurrently with another cause of curtailment (e.g., a force majeure event or planned maintenance), the curtailment shall be deemed to be a non-FT-C Curtailment to the extent the other cause increased the curtailment. To the extent either the FT-C Curtailment or the other cause independently would have been sufficient to cause the curtailment, the curtailment shall, for purposes of determining demand charge credits only, be deemed to be:

(a) an FT-C Curtailment if the FT-C Curtailment was in effect when the other cause of curtailment took effect; or

(b) a non-FT-C Curtailment otherwise.

2.3 Service shall be allocated and scheduled pursuant to Subsections 3.7, 3.8 and Section 15 of the General Terms and Conditions of Company's FERC Gas Tariff. However, service may be curtailed pursuant to an FT-C Curtailment or for any of the reasons set out in Section 10 of

the General Terms and Conditions of Company's FERC Gas Tariff or whenever necessary to maintain gas quality or the integrity of Company's system.

- 2.4 To assist Customers in tracking the potential for FT-C Curtailment, the Company shall post, on the 15th day of every month, a report on the actual turbine compressor runtime hours of the preceding eleven month(s).
- 2.5 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

- 3.1 All Customers requesting conditional firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.
- 3.2 All Customers requesting conditional firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-C (FT-C Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Receipt Point on the Scotland-Portland Segment, shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Delivery Point on the Scotland-Portland Segment shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

On any given day, quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity under the Customer's FT-C Agreement at any Mainline location.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions

permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-C are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-C Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-C Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer and all other applicable charges and surcharges specified on the effective Summary of Rates and Charges in Company's FERC Gas Tariff, unless the parties have executed a FT-C Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedules ~~LMS-MA or LMS-PA~~, and Sections ~~3.9~~, and ~~Subsection 3.9~~ of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Mainline shall be the Rate Schedule IT - Eastern Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

(a) Demand Charge

A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-C Agreement.

(b) Commodity Charge

The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and

(c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-C Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-D
FIRM TRANSPORTATION SERVICE (Conditional)

1. AVAILABILITY

This Rate Schedule is available for the conditional firm transportation of natural gas by Company for any Customer on the Mainline.

Mainline shall be defined as the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.

The Transportation Paths for service under this Rate Schedule shall be limited to southbound flows only, and as may be further specified in Exhibit A of the FT-D Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The service contracted shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the Transportation Quantity for the Transportation Path set forth in Exhibit A of the FT-D Agreement performed under Part 284 of the Commission's Regulations. This service shall be provided to the extent Company determines conditional firm capacity is available on the Mainline to any Customer in the order in which each Customer has fulfilled the requirements of Section 3 below.

2.2 Company shall provide southbound service under Rate Schedule FT-D transportation by means of a turbine compressor engine located at Company's Paris, Illinois compressor station (together with any replacement engine, the "Paris Turbine"). The Paris Turbine is subject to air emissions restrictions that prevent Company from operating it more than 6,090 hours during any rolling twelve (12) month period. FT-D Service is subject to curtailment (an "FT-D Curtailment") when such interruption is due to a shutdown of the Paris Turbine to avoid exceeding this operating limit. Any other interruption or curtailment (including those arising from shutdown of the Paris Turbine for other reasons) of firm service due to force majeure or otherwise would apply to all affected firm service equally and would not be an FT-D Curtailment, as defined above. For purposes of determining demand charge credits only (and without affecting the allocation of capacity among Customers), if an FT-D Curtailment occurs concurrently with another cause of curtailment (e.g., a force majeure event or planned maintenance), the curtailment shall be deemed to be a non-FT-D Curtailment to the extent the other cause increased the curtailment. To the extent either the FT-D Curtailment or the other cause independently would have been sufficient to cause the curtailment, the curtailment shall, for purposes of determining demand charge credits only, be deemed to be:

(a) an FT-D Curtailment if the FT-D Curtailment was in effect when the other cause of curtailment took effect; or

(b) a non-FT-D Curtailment otherwise.

2.3 Service shall be allocated and scheduled pursuant to Subsections 3.7, 3.8 and Section 15 of the General Terms and Conditions of Company's FERC Gas Tariff. However, service may be curtailed pursuant to an FT-D Curtailment or for any of the reasons set out in Section 10 of the General Terms and Conditions of Company's FERC Gas Tariff or whenever necessary to maintain gas quality or the integrity of Company's system.

2.4 To assist Customers in tracking the potential for FT-D Curtailment, the Company shall post, on the 15th day of every month, a report on the actual turbine compressor runtime hours of the preceding eleven month(s).

2.5 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. REQUEST FOR SERVICE

3.1 All Customers requesting conditional firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

3.2 All Customers requesting conditional firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use under Rate Schedule FT-D (FT-D Agreement) in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Receipt Point on the Mainline, shall be eligible for designation as a Primary Receipt Point for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Subject to the availability of capacity and the requirements of the Transportation Path as set forth in Section 1 of this Rate Schedule, any Delivery Point on the Mainline shall be eligible for designation as a Primary Delivery Point(s) for gas transported under this Rate Schedule pursuant to Subsection 15.2 of the General Terms and Conditions of Company's FERC Gas Tariff. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered. Nothing in this Section 4 is intended to limit the rights of either the Releasing Shipper or the Replacement Shipper upon the release of firm capacity.

4.3 Gas Quantities at Receipt/Delivery Points

On any given day, quantities transported from the Receipt Point(s) to the Delivery Point(s) may not exceed the Transportation Quantity under the Customer's FT-D Agreement at any Mainline location.

4.4 Uniform Quantities

As nearly as practical, Customer shall deliver and receive gas in uniform hourly quantities during any day. However, Company shall use its best efforts as operational conditions

permit, to allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under this Rate Schedule FT-D are the applicable Maximum Demand and Commodity Rates shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or negotiated rate FT-D Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer, that Company incurs in establishing or rendering service. Company shall not use the amounts so collected as either costs or revenues in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-D Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advanced approval of Company for such excess takes. For all authorized overrun quantities, Customer shall pay Company the Maximum Daily Demand Rate and the Commodity Rate for this Rate Schedule shown on the effective Summary of Rates and Charges multiplied by the excess quantities delivered to Customer and all other applicable charges and surcharges specified on the effective Summary of Rates and Charges in Company's FERC Gas Tariff, unless the parties have executed an FT-D Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedules ~~LMS-MA or LMS-PA~~, and Sections ~~3.9~~, and ~~Subsection 3.9~~ of the General Terms and Conditions specified in Company's FERC Gas Tariff.

5.7 Out of Mainline Charge

The applicable charge for utilizing Receipt Point(s) and/or Delivery Point(s) outside of the Mainline shall be the Rate Schedule IT - Eastern Mainline Maximum Rate, unless Company and Customer have executed an agreement providing for a different rate, for the portion of the scheduled nomination that is outside of the Mainline.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the Fuel Retention Percentage, as defined in Section 38.2(a), for system fuel use and gas lost and unaccounted for, associated with rendering transportation service pursuant to this Rate Schedule.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

- (a) Demand Charge
A Demand charge equal to the product of the applicable Demand Rate shown on the effective Summary of Rates and Charges multiplied by the Transportation Quantity specified in the FT-D Agreement.
- (b) Commodity Charge
The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and
- (c) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. RESERVED FOR FUTURE USE

9. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-D Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE FT-GS
FIRM TRANSPORTATION SERVICE
SMALL CUSTOMERS

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on a firm basis by Company for any Customer:

- (a) that was a sales customer under former Rate Schedule SR-1 or SR-T on May 18, 1992 and converted such sales service under former Rate Schedules SR-1 or SR-T to firm transportation service in connection with restructuring pursuant to Order No. 636 of the FERC; and
- (b) that requests a Transportation Quantity equal to or less than 5,233 Dekatherms per day; and
- (c) that completes a valid request for service and executes a Firm Gas Transportation Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation service hereunder will be firm, except as provided herein and in the General Terms and Conditions.
- 2.2 A Customer executing a service agreement under this Rate Schedule shall have a Transportation Quantity equal to the Maximum Daily Obligation contained in the Customer's former service agreement under Rate Schedule SR-1 or SR-T, as adjusted for any permanent assignment of capacity.
- 2.3 A Customer executing a service agreement under this Rate Schedule has the right to make an election to convert its service in its entirety to firm transportation service under Rate Schedule FT-A by providing written notice of such election on or before June 1 of any year. Such conversion shall be effective as of the following November 1.
- 2.4 A Customer executing a service agreement under this Rate Schedule shall not be entitled to receive for its account gas transported under Rate Schedules FT-A or IT or any transportation capacity released pursuant to Company's capacity release mechanism as specified in Section 21 of the General Terms and Conditions of Company's FERC Gas Tariff unless the Customer is receiving a quantity of gas under Rate Schedule FT-GS equal to its Transportation Quantity. However, if there is a separate meter for an end-user behind an FT-GS Customer, IT or FT-A gas quantities may be delivered to the end-user pursuant to an IT or FT-A Agreement between Company and the end-user.
- 2.5 Company shall not be required to install, operate or maintain any additional facilities in order to provide new transportation service under this Rate Schedule.

3. QUALIFICATIONS FOR SERVICE

- 3.1 All Customers requesting firm transportation service under this Rate Schedule must qualify pursuant to Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.
- 3.2 All Customers requesting firm transportation service hereunder must execute a Firm Gas Transportation Agreement for use pursuant to Rate Schedule FT-GS (FT-GS Agreement) in

accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

Subject to the availability of capacity, any Receipt Point on Company's system shall be eligible to be designated as a Primary Receipt Point in Customer's FT-GS Agreement. If the capacity at such Receipt Point is insufficient to serve all Customers requesting the point, receipt quantities for that point shall be allocated in accordance with Subsection(s) 3.7, 3.8 and Section 15 of the General Terms and Conditions. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

Customer's Delivery Points shall be the interconnection(s) of Company's system and Customer's system, or the Delivery Point(s) specified in Customer's former SR-1 or SR-T Agreement.

4.3 Uniform Quantities

As nearly as practicable, Customer shall deliver and receive gas in uniform hourly quantities during the day. However, Company may, on a best efforts basis and if operational conditions permit, allow Customers to deliver or receive gas in non-uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rates

The applicable rates for service under Rate Schedule FT-GS are rates shown on the effective Summary of Rates and Charges; provided, however, Company and Customer may enter into a discounted rate or negotiated rate FT-GS Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company for any filing or similar fees that have not been previously paid by Customer that Company incurs in establishing or

rendering service. Company shall not use the amounts so collected (as either costs or revenues) in establishing its general system rates.

5.5 Authorized Overrun Charge

If Customer, upon receiving the advance approval of Company, should on any day take under this Rate Schedule a quantity of natural gas in excess of Customer's Transportation Quantity under Customer's FT-GS Agreement, then such excess quantity shall constitute authorized overrun quantities. All Customer requests for Authorized Overruns must be nominated through the System. If Company has complete and unrestricted control of gas deliveries to Customer, then Customer shall be deemed to have received the advance approval of Company. For all Authorized Overrun gas quantities, the Customer shall pay Company the applicable Maximum Commodity Rate per Dekatherm under this Rate Schedule, unless the parties have executed an FT-GS Agreement providing for a different rate.

5.6 Imbalance Charge

Pursuant to the terms of Section 39 of the General Terms and Conditions of Company's FERC Gas Tariff, if Customer tenders or takes gas at a point not covered by an effective Operational Balancing Agreement, Company shall charge Customer any applicable charges provided in Rate Schedules ~~LMS-MA or LMS-PA~~, and Sections 3.9; and ~~Subsection~~ 3.9 of the General Terms and Conditions specified in Company's FERC Gas Tariff.

6. FUEL AND LOSSES

Customer shall provide to Company, at no cost to Company, the quantity of gas required for system fuel use and gas lost and unaccounted for associated with rendering transportation service pursuant to this Rate Schedule. Since fuel reimbursement is in kind, the standard fuel calculation mechanism, as this is related to the nomination process, shall be $(1 - \text{fuel \%} / 100)$ multiplied by receipt quantity (in Dekatherms) = delivery quantity (in Dekatherms). [1.3.16] The applicable percentage is shown in the Summary of Rates and Charges.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to:

- (a) Commodity Charge: The applicable Commodity Rate set forth on the effective Summary of Rates and Charges multiplied by the quantity of gas delivered in the month; and
- (b) If applicable, any other charges pursuant to Sections 5 and 6 of this Rate Schedule.

8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume 1 of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any FT-GS Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for the transportation of natural gas on the Mainline and Eastern Mainline on an interruptible basis by Company to any Customer:

- (a) that makes a valid request pursuant to Section 3 hereof and executes an Interruptible Transportation Agreement (IT Agreement); and
- (b) to the extent that capacity is available on Company's system from time to time for the delivery of gas to Company and the redelivery by Company for the account of Customer.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 The service rendered hereunder shall be the receipt of natural gas and the delivery of the Equivalent Quantity of natural gas up to the maximum interruptible quantity set out in the IT Agreement, subject to the availability of capacity sufficient to provide the service without detriment or disadvantage to Company's firm transportation Customers. Service hereunder is fully interruptible to the extent necessary to provide firm transportation service.
- 2.2 Interruption of service includes decreasing, suspending, or discontinuing either the receipt or delivery of gas. Interruption and the allocation of available interruptible capacity shall be in accordance with Subsection(s) 3.7 and 3.8 of the General Terms and Conditions. Company may also interrupt service to any Customer whenever necessary to maintain gas quality or the integrity of Company's system.
- 2.3 Company shall not be required to install, operate or maintain any additional facilities in order to provide transportation service under this Rate Schedule.

3. QUALIFICATION FOR SERVICE

- 3.1 All Customers requesting interruptible transportation service must qualify pursuant to Section 25 of the General Terms and Conditions of Company's Tariff.
- 3.2 All Customers requesting interruptible transportation service must execute an IT Agreement in accordance with the provisions of Section 25 of the General Terms and Conditions of Company's FERC Gas Tariff.

4. DELIVERIES AND RECEIPTS

4.1 Receipt Points

All Receipt Points on Company's system shall be available for gas transported under this Rate Schedule. Company shall not be required under any circumstances to receive gas at any Receipt Point where the total quantity of gas scheduled for receipt on any day is less than that required for the accurate measurement of quantities to be received.

4.2 Delivery Points

All Delivery Points on Company's system shall be available for gas transported under this Rate Schedule. Company shall not be required under any circumstances to deliver gas at any Delivery Point where the total quantity of gas scheduled for delivery on any day is less than that required for the accurate measurement of quantities to be delivered.

4.3 Uniform Quantities

As nearly as practicable, Customer shall deliver and receive gas in uniform hourly quantities during any day.

5. RATES AND CHARGES

5.1 Applicable Rates and Charges

The rates and charges for service under this Rate Schedule shall be the sum of the charges described below.

5.2 Transportation Rate

The Transportation Rate is the Maximum Rate per Dekatherm as shown on the effective Summary of Rates and Charges; provided however, Company and Customer may enter into a discounted rate or a negotiated rate IT Agreement pursuant to the provisions of Section 27 of the General Terms and Conditions of Company's FERC Gas Tariff.

5.3 New Facilities Charge

Company may charge Customer an amount to recoup some or the entire cost (and income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request in order to provide transportation service under this Rate Schedule. Customer shall pay the New Facilities Charge by lump sum payment based upon Company's estimated cost prior to any construction activity, unless otherwise mutually agreed.

5.4 Incidental Charges

Company shall charge Customer an amount to reimburse Company 100 percent for any filing or similar fees, that have not been previously paid by Customer that Company incurs in establishing or rendering service. Company shall not use the amounts so collected (as either revenues or costs) in establishing its general system rates.

5.5 Imbalance Charge

If Customer takes receipts or deliveries at a point not covered by an Operational Balancing Agreement, then, Company shall charge Customer any applicable charges as provided in Rate Schedules LMS-MA or LMS-PA, as applicable and Subsection 3.9 of the General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff.

6. FUEL AND LOSSES

Customer shall provide daily to Company, at no cost to Company, the quantity of gas required for system fuel and uses and for gas lost and unaccounted for, associated with rendering transportation

service pursuant to this Rate Schedule. Since fuel reimbursement is in kind, the standard fuel calculation mechanism, as this is related to the nomination process, shall be $(1 - \text{fuel \%} / 100)$ multiplied by receipt quantity (in Dekatherms) = delivery quantity (in Dekatherms). [1.3.16] The applicable percentage is shown in the Summary of Rates and Charges.

7. MONTHLY BILL

The Monthly Bill for deliveries shall be equal to (i) the Transportation Rate multiplied by the Dekatherms of natural gas delivered for Customer and (ii) if applicable, any charges pursuant to Sections 5 or 6 above.

8. GENERAL TERMS AND CONDITIONS

Customer shall provide Company with such information as is needed to meet the requirements placed on Company by valid regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any IT Agreement are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

RATE SCHEDULE LMS-~~MA~~
LOAD MANAGEMENT SERVICE—~~DELIVERY POINTS~~

1. AVAILABILITY

Company shall provide balancing services at Receipt Points and Delivery Points to persons (herein referred to as "Balancing Party") who have executed an Operational Balancing Agreement ("OBA") ~~(for use at Delivery Points)(Delivery Point OBA) in the form set forth on Company's web site (www.oneok.com/mgt) under Customer Activities.~~ A Receipt Point OBA will be available to the operator of connecting facilities at a Receipt Point(s) on Company's system. A Delivery Point OBA will be available to:

- (a) the operator of connecting facilities at a Delivery Point(s) on Company's system; and
- (b) a market aggregator ("Aggregator") who has obtained written consent from Delivery Point operators that imposes responsibility on Aggregator for all scheduling and balancing at stated Delivery Points and that provides authority to Aggregator to change physical flows at stated Delivery Points upon notice from Company to the Aggregator.

2. APPLICABILITY AND CHARACTER OF SERVICE

The terms, conditions and charges set forth in this Rate Schedule shall apply to all gas flowing through meters covered by an ~~Delivery Point~~ OBA. A Delivery Point OBA may include all Delivery Points controlled by a single Balancing Party except that no OBA may cover Delivery Points under more than one firm transportation rate schedule. An Aggregator's Delivery Point OBA may include any Delivery Point where the maximum deliveries at any such point do not exceed 5,233 Dekatherms on any day.

3. SCHEDULING AND CONFIRMATION BY BALANCING PARTY

The Balancing Party will confirm nominations of the quantities to be received at Receipt Points or delivered at Delivery Points. The Balancing Party will notify affected Customers via the System by entering confirmations into the System, which are available for viewing by Customers, within the time specified in ~~Subsection 3.6.1~~ of the General Terms and Conditions of any change in a nomination by Customer to Scheduled Quantities.

Company agrees to perform as a Delivery Point operator on other pipelines' systems at its existing points of interconnection with other pipelines to the extent necessary and agreed to by the other pipeline(s). To the extent Company incurs any imbalance charges, cash-outs, or penalties on such other pipelines, all such expenditures, except where negligently incurred by Company, shall be borne by Balancing Parties that are out of balance on Company's system in proportion to each Balancing Party's imbalance related to such other pipelines.

4. IMBALANCE NETTING AND TRADING

- (a) Based upon the best information available, a Balancing Party shall take action to correct any imbalances occurring during the month by making adjustments in nominations, receipts or deliveries. If a Balancing Party fails to take such corrective action, then Company may, upon 48 hours notice, adjust Balancing Party's scheduled receipts and deliveries over the remainder of the calendar month in order to maintain a balance of receipts, deliveries and nominations.
- (b) Balancing Parties under this Rate Schedule and Supply Aggregators under Rate Schedule SA will be allowed to trade imbalances occurring during the month with other Parties that are subject to this Rate Schedule ~~or Rate Schedule LMS-PA.~~

Mid-Month Trading

All imbalance trading occurring during the month that the imbalance(s) occurred must be effected through the nomination of mid-month make-up gas quantities. –Any “receipt-to-delivery” imbalance trade may be effected by a Party nominating transportation from a point covered on its ~~Balancing Agreement~~OBA or Rate Schedule SA Agreement to a point on another Agreement where the trade will occur. –A “receipt-to-delivery” imbalance trade is defined as any imbalance trade between a Party under this Rate Schedule and ~~another~~ Party under ~~this~~ Rate Schedule ~~LMS-PA~~ whereby ~~the one~~ Party under this Rate Schedule is trading an excess of actual deliveries relative to Scheduled Quantities with an excess of actual receipts relative to Scheduled Quantities incurred by ~~the other~~ Party under ~~this~~ Rate Schedule ~~LMS-PA~~.

End-of-Month Trading

Balancing Parties and Supply Aggregators will also be allowed to trade offsetting imbalances in the month following the month during which the imbalance occurred; provided that the Party notifies Company of the identities of the Parties agreeing to the trade, and the gas quantities to be traded, no later than seventeen (17) Business Days after the end of the month during which the imbalances occurred. For receipt-to-delivery imbalance trades after the month during which the imbalances occurred, the Parties agreeing to the trade must notify Company of the Party responsible for the transportation from point to point. If the Parties do not notify Company of the Party responsible for transportation, Company will hold the Party who traded the imbalance due Company responsible for the applicable transportation charges. To facilitate end-of-month imbalance trading, Company will provide for Parties to post their imbalances, and any information relevant to the trading thereof, on the System.

For mid-month and end-of-month trading, transportation charges for receipt-to-delivery imbalance trades will be based on the applicable maximum authorized overrun rate associated with Company’s Rate Schedule(s) FT-A, FT-B, FT-C or FT-D.

When a netting and trading transaction results in an overpayment of transportation charges, Company shall reimburse the affected Customer the excess transportation charges in the subsequent billing cycle.

5. DAILY IMBALANCE CHARGE

5.1 Applicability

(a) Single Point of Interconnection Under LMS ~~MA~~ Agreement

A Balancing Party shall be subject to a potential Daily Imbalance Charge if

- (i) Company lacks the ability to physically control delivered quantities to the Balancing Party at such interconnect, or
- (ii) Company has the ability to physically control delivered quantities to the Balancing Party at such interconnect but the capability has been disabled pursuant to a request by the Balancing Party, or
- (iii) The Balancing Party either lacks the ability to physically control receipt quantities from Company at such interconnect or utilizes its physical flow

control capability to deviate from the current total scheduled nomination at such interconnect without Company's consent.

(b) Multiple Points of Interconnection Under LMS-~~MA~~ Agreement

A Balancing Party shall be subject to a potential Daily Imbalance Charge if

- (i) Company lacks the ability to physically control delivered quantities to the Balancing Party at all of the interconnects specified in the Balancing Party's LMS-~~MA~~ Agreement, or
- (ii) Company has the ability to physically control delivered quantities to the Balancing Party at one or more of the interconnects specified in the Balancing Party's LMS-~~MA~~ Agreement but the capability has been disabled at such location(s) pursuant to a request by the Balancing Party, or
- (iii) Company lacks the ability to physically control delivered quantities to the Balancing Party at the specific interconnect designated to assume the imbalances by the Balancing Party (balancing "~~swing~~" interconnect) under the Balancing Party's LMS-~~MA~~ Agreement, or
- (iv) The Balancing Party lacks the ability to physically control receipt quantities from Company at any of the interconnects specified in the Balancing Party's LMS-~~MA~~ Agreement, or
- (v) The Balancing Party utilizes its physical flow control capability at one or more interconnect locations specified in the Balancing Party's LMS-~~MA~~ Agreement to deviate from the current aggregate scheduled nomination for such interconnects without Company's consent.

(c) Listing of Balancing Parties Subject to Potential Daily Imbalance Charge

Company shall maintain a list on its Informational Postings web site of the Balancing Parties that are potentially subject to a Daily Imbalance Charge under Rate Schedule LMS-~~MA~~.

Company shall revise such posting within a Gas Day if the applicability of the Daily Imbalance Charge for a given Balancing Party changes due to change in flow control status at one or more interconnects under the Balancing Party's LMS-~~MA~~ Agreement.

In addition, Company shall notify a Balancing Party listed pursuant to this Subsection, by phone, of any status change related to the applicability of the Daily Imbalance Charge at the time such change is made.

The amount of Balancing Party's imbalance at the end of a Gas Day will determine if the Daily Imbalance Charge is potentially applicable to such Balancing Party.

5.2 Calculation

(a) Net Pipeline Position

By 12 Noon CCT each day, Company shall provide on its Informational Postings web site a notice of the net pipeline position on Company's pipeline system for the previous Gas Day.

The net pipeline position is the sum of the total positive and negative Cumulative Imbalances, based on SCADA data, at all Balancing Party interconnections subject to the Daily Imbalance Charge for such Gas Day under Rate Schedules LMS-~~MA~~ and LMS-~~PA~~.

A positive net pipeline position indicates that gas has been stored on Company's pipeline and is due others. A negative net pipeline position indicates that gas is due Company.

Company will post a notice that the Daily Imbalance Charge will not be applicable for a given Gas Day, if Company determines that insufficient accurate SCADA data exist for such Gas Day to calculate a net pipeline position.

(b) Allowable Swing Quantity (ASQ)

The Balancing Party's ASQ for a given Gas Day is the greater of (1) 1,000 Dekatherms or (2) 10 percent of the highest daily Scheduled Quantity at such designated interconnect(s) during the prior fifteen (15) days.

On a given Gas Day, a Balancing Party may take gas in excess of Scheduled Quantities or not take delivery of all Scheduled Quantities at the interconnect(s) listed under the Balancing Party's LMS-~~MA~~ Agreement up to its ASQ.

(c) Imbalance Tolerance Bandwidth - 110 to 120 Percent

On a Gas Day that the net pipeline position exceeds plus or minus 25,000 Dekatherms, any Balancing Party subject to the Daily Imbalance Charge under this Rate Schedule, whose Cumulative Imbalance is (1) equal to or greater than 110 percent but less than 120 percent of that Balancing Party's ASQ and (2) has a Cumulative Imbalance in the same direction (positive or negative) as the net pipeline position, will be notified by Company of its Daily Imbalance position no later than 5:00 p.m. CCT the following Gas Day.

If the notified Balancing Party fails to take corrective action during the Gas Day following Company's Daily Imbalance position notice pursuant to this Subsection, such Balancing Party shall be assessed a Daily Imbalance Charge per Dekatherm equal to two times the currently effective maximum rate under Tennessee Gas Pipeline Company's Rate Schedule PAL. The Daily Imbalance Charge under this Subsection shall apply only to those quantities of the Cumulative Imbalance that are equal to or greater than 110 percent but are less than 120 percent of the Balancing Party's ASQ.

(d) Imbalance Tolerance Bandwidth - 120 Percent or Greater

On a Gas Day that the net pipeline position exceeds plus or minus 25,000 Dekatherms, any Balancing Party subject to the Daily Imbalance Charge under this Rate Schedule whose Cumulative Imbalance is (1) equal to or greater than 120 percent of that Balancing Party's ASQ and (2) has a Cumulative Imbalance in the same direction (positive or negative) as the net pipeline position will be notified by Company of its Daily Imbalance position no later than 5:00 p.m. CCT the following Gas Day.

If the notified Balancing Party fails to take corrective action during the Gas Day following Company's Daily Imbalance position notice pursuant to this Subsection, such Balancing Party shall be assessed a Daily Imbalance Charge per Dekatherm equal to four times the currently effective Maximum Rate under Tennessee Gas Pipeline Company's Rate Schedule PAL. The Daily Imbalance Charge under this Subsection

shall apply only to those quantities of the Cumulative Imbalance that are equal to or in excess of 120 percent of the Balancing Party's ASQ.

5.3 Treatment of Revenue

All amounts invoiced and collected by Company as payment of Daily Imbalance Charges assessed under this Rate Schedule, net of incremental administrative charges (including costs that Company incurs in making such sales pursuant to Section 22 of the General Terms and Conditions), will be treated as LMS penalties and shall be allocated by Company to Balancing Parties using the methodology set forth in Subsection 23.2 of the General Terms and Conditions.

6. MONTHLY IMBALANCES

- (a) A Balancing Party's monthly imbalance shall be the net total of Daily Imbalances from all points covered by the Receipt Point OBA and/or Delivery Point OBA. Unless Company and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Company and Balancing Party shall "cash out" any imbalance between receipts and Scheduled Quantities at Receipt Points covered by a Receipt Point OBA. Unless Company and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Company and Balancing Party shall "cash out" any imbalance between deliveries and Scheduled Quantities at Delivery Points covered by a Delivery Point OBA. Company shall divide the monthly imbalance by the sum of the Scheduled Quantities for all days of the month for all points covered by the OBA to determine the monthly imbalance percentage to be cashed out as set forth below.
- (b) If the monthly imbalance percentage is due to a deficiency of deliveries relative to Scheduled Quantities, or an excess of receipts relative to Scheduled Quantities, Company shall pay the Balancing Party in accordance with Schedule A below. If the monthly imbalance percentage is due to an excess of deliveries relative to Scheduled Quantities, or due to a deficiency in receipts relative to Scheduled Quantities, the Balancing Party shall pay Company in accordance with Schedule B below. Notwithstanding the above, a monthly imbalance that is less than 1000 Dekatherms shall be cashed out at the 0-5 percentage level. In addition to correcting the monthly imbalance in cash, the Balancing Party shall pay to Company the "Transportation Component" if deliveries are greater than Scheduled Quantities, or Company shall pay to Balancing Party the "Transportation Component" if deliveries are less than Scheduled Quantities.

The "Transportation Component" shall be equal to:

- (i) Company's commodity rate under Rate Schedule(s) FT-A, FT-B, FT-C, FT-D or FT-GS, as applicable, multiplied by the monthly imbalance, plus
- (ii) an additional amount to cover Company's cost of gas for the system fuel use and lost and unaccounted for gas.

The additional amount shall be calculated by multiplying the Index Price by the amount of fuel necessary to transport the imbalance on the Company's system.

Schedule A

<u>Monthly Imbalance Percentage</u>	<u>Company Pays Balancing Party the Following Percent of the Index Price</u>
0-5%	100%
>5-10%	85%
>10-15%	70%
>15-20%	60%
>20%	50%

Schedule B

<u>Monthly Imbalance Percentage</u>	<u>Balancing Party Pays Company the Following Percent of the Index Price</u>
0-5%	100%
>5-10%	115%
>10-15%	130%
>15-20%	140%
>20%	150%

The Index Price shall be the monthly average of the daily, midpoint Tennessee, 500 Leg price as published in the “Daily price survey” of Platts *Gas Daily* for the month. The Index Price shall be posted on the System in a reasonable time after receipt of the final “Daily price survey” for the month. If the “Daily price survey” of Platts *Gas Daily* is no longer published, Company shall use an alternative publication to determine the spot price indices for calculation of the Index Price. Company shall allocate “cash-outs” with other upstream pipelines according to the same formula.

For the purpose of determining the level at which a Balancing Party’s imbalance shall be cashed out, if a Balancing Party has an imbalance outside a given tolerance level, the escalating or declining percentage of the Index Price will apply only to the portion of the imbalance outside of the tolerance level.

The amounts due hereunder shall be paid in accordance with Sections 5 and 6 of the General Terms and Conditions of Company’s FERC Gas Tariff.

(c) Access to Information

Company will make available by electronic means the best information it has concerning the scheduled deliveries at all Delivery Points. This information regarding the scheduled deliveries shall become “Operational Data” and Balancing Parties will be able to utilize the Operational Data for purposes of correcting imbalances during the month. Monthly imbalances will be cashed out on the basis of actual deliveries and Scheduled Quantities; provided that the penalty level and pricing associated with imbalances will be based upon the lesser of (1) the monthly operational imbalance reported by Company based upon the Operational Data or (2) the monthly imbalance based upon actual receipts and deliveries at such locations.

(d) Limitation on Charges

Any imbalances caused by an event as set forth in Section 10 of the General Terms and Conditions, or by Company's actions (including providing the Balancing Party inaccurate balancing information) or by Balancing Party's compliance with an OFO issued pursuant to Section 8 of the General Terms and Conditions, will not be included in the calculation of the total monthly imbalance for purposes of determining the appropriate cash-out level and will be cashed out at the 0-5 percent tolerance level, as set forth in Subsection 6(b) above.

(e) Operational Integrity

Nothing in this Section 6 shall limit Company's right to take action as may be required to adjust receipts and deliveries of gas in order to alleviate conditions that threaten the integrity of its system.

(f) Disposition of Charges

At the conclusion of each annual period, Company will determine the net cashout activity in accordance with Section 39 of the General Terms and Conditions.

7. GENERAL TERMS AND CONDITIONS

Balancing Party shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate Schedule shall be determined consistent with Company's General Terms and Conditions ~~specified in Volume I~~ of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any Receipt Point OBA or Delivery Point OBA are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.

~~RESERVED FOR FUTURE USERATE SCHEDULE LMS-PA
LOAD-MANAGEMENT SERVICE—RECEIPT POINTS~~

~~1.—AVAILABILITY~~

~~Company shall provide balancing services at Receipt Points to persons (herein referred to as "Balancing Party") who have executed an Operational Balancing Agreement for use at receipt points (Receipt Point OBA) in the form set forth on Company's web site (www.oneok.com/mgt) under Customer Activities. A Receipt Point OBA will be available to the operator of connecting facilities at a Receipt Point(s) on Company's system.~~

~~2.—APPLICABILITY AND CHARACTER OF SERVICE~~

~~The terms, conditions and charges set forth in this Rate Schedule shall apply to all gas flowing through meters covered by a Receipt Point OBA.~~

~~3.—SCHEDULING AND CONFIRMATION BY BALANCING PARTY~~

~~The Balancing Party will confirm nominations of the quantities to be received at Receipt Points. The Balancing Party will notify Customer and Company via the System by entering confirmations into the System, which are available for viewing by Customers, within the time specified in Subsection 3.6.1 of the General Terms and Conditions of any change in a nomination by Customer to Scheduled Quantities.~~

~~4.—IMBALANCE NETTING AND TRADING~~

~~(a) Based upon the best information available, a Balancing Party shall take action to correct any imbalances occurring during the month by making adjustments in nominations, receipts or deliveries. If Balancing Party fails to take such corrective action, then Company may, upon 48 hours notice, adjust Balancing Party's scheduled receipts and deliveries over the remainder of the calendar month in order to maintain a balance of receipts, deliveries and nominations.~~

~~(b) Balancing Parties under this Rate Schedule and Aggregators under Rate Schedule SA will be allowed to trade imbalances occurring during the month with other Parties that are subject to this Rate Schedule or Rate Schedule LMS-MA.~~

~~—Mid-Month Trading~~

~~All imbalance trading occurring during the month that the imbalance(s) occurred must be effected through the nomination of mid-month make-up gas quantities. Any "receipt-to-delivery" imbalance trade may be effected by a Party nominating transportation from a point covered on its Operational Balancing Agreement or Rate Schedule SA Agreement to a point on another agreement where the trade will occur. A "receipt-to-delivery" imbalance trade is defined as any imbalance trade between a Party under this Rate Schedule and a Party under Rate Schedule LMS-MA whereby the Party under this Rate Schedule is trading an excess of actual receipts relative to Scheduled Quantities with an excess of actual deliveries relative to Scheduled Quantities incurred by a Party under Rate Schedule LMS-MA.~~

~~—End-of-Month Trading~~

~~Balancing Parties and Aggregators under Rate Schedule SA will also be allowed to trade offsetting imbalances in the month following the month during which the imbalance occurred; provided that the Party notifies Company of the identities of the Parties agreeing to the trade, and the gas quantities to be traded, no later than seventeen Business Days after the end of the month during which the imbalances occurred. For receipt-to-delivery imbalance trades after the month during which the imbalances occurred, the Parties agreeing to the trade must notify Company of the Party responsible for the transportation from point to point. If the Parties do not notify Company of the Party responsible for transportation, Company will hold the Party who~~

~~traded the imbalance due Company responsible for the applicable transportation charges. To facilitate end-of-month imbalance trading, Company will provide for Parties to post their imbalances, and any information relevant to the trading thereof, on the System.~~

~~—— For mid-month and end-of-month trading, transportation charges for receipt-to-delivery imbalance trades will be based on the maximum applicable authorized overrun rate associated with Company's Rate Schedule FT-A, FT-C or FT-D.~~

~~—— When a netting and trading transaction results in an overpayment of transportation charges, Company shall reimburse the affected Customer the excess transportation charges in the subsequent billing cycle.~~

~~5. DAILY IMBALANCE CHARGE~~

~~5.1 Applicability~~

~~(a) Single Point of Interconnection Under LMS-PA Agreement~~

~~—— A Balancing Party shall be subject to a potential Daily Imbalance Charge if~~

~~(i) Company lacks the ability to physically control delivered quantities to the Balancing Party at such interconnect, or~~

~~(ii) Company has the ability to physically control delivered quantities to the Balancing Party at such interconnect but the capability has been disabled pursuant to a request by the Balancing Party, or~~

~~(iii) The Balancing Party either lacks the ability to physically control receipt quantities from Company at such interconnect or utilizes its physical flow control capability to deviate from the current total scheduled nomination at such interconnect without Company's consent.~~

~~(b) Multiple Points of Interconnection Under LMS-PA Agreement~~

~~—— A Balancing Party shall be subject to a potential Daily Imbalance Charge if~~

~~(i) Company lacks the ability to physically control delivered quantities to the Balancing Party at any of the interconnects specified in the Balancing Party's LMS-PA Agreement, or~~

~~(ii) Company has the ability to physically control delivered quantities to the Balancing Party at one or more of the interconnects specified in the Balancing Party's LMS-PA Agreement but the capability has been disabled at such location(s) pursuant to a request by the Balancing Party, or~~

~~(iii) Company lacks the ability to physically control delivered quantities to the Balancing Party at the specific interconnect designated to assume the imbalances by the Balancing Party (balancing "swing" interconnect) under the Balancing Party's LMS-PA Agreement, or~~

~~(iv) The Balancing Party lacks the ability to physically control receipt quantities from Company at any of the interconnects specified in the Balancing Party's LMS-PA Agreement, or~~

~~(v) The Balancing Party utilizes its physical flow control capability at one or more interconnect locations specified in the Balancing Party's LMS-PA Agreement to deviate from the current aggregate scheduled nomination for such interconnects without Company's consent.~~

~~(c) Listing of Balancing Parties Subject to Potential Daily Imbalance Charge~~

~~—— Company shall maintain a list on its Informational Postings web site of the Balancing Parties that are potentially subject to a Daily Imbalance Charge under Rate Schedule LMS-PA.~~

~~Company shall revise such posting within a Gas Day if the applicability of the Daily Imbalance Charge for a given Balancing Party changes due to change in flow control status at one or more interconnects under the Balancing Party's LMS-PA Agreement.~~

~~In addition, Company shall notify a Balancing Party listed pursuant to this Subsection, by phone, of any status change related to the applicability of the Daily Imbalance Charge at the time such change is made.~~

~~The amount of Balancing Party's imbalance at the end of a Gas Day will determine if the Daily Imbalance Charge is potentially applicable to such Balancing Party.~~

5.2 ~~Calculation~~

(a) ~~Net Pipeline Position~~

~~By 12 Noon CCT each day, Company shall provide on its Informational Postings web site a notice of the net pipeline position on Company's pipeline system for the previous Gas Day.~~

~~The net pipeline position is the sum of the total positive and negative Cumulative Imbalances, based on SCADA data, at all Balancing Party interconnections subject to the Daily Imbalance Charge for such Gas Day under Rate Schedules LMS-MA and LMS-PA.~~

~~A positive net pipeline position indicates that gas has been stored on Company's pipeline and is due others. A negative net pipeline position indicates that gas is due Company.~~

~~Company will post a notice that the Daily Imbalance Charge will not be applicable for a given Gas Day, if Company determines that insufficient accurate SCADA data exist for such Gas Day to calculate a net pipeline position.~~

(b) ~~Allowable Swing Quantity (ASQ)~~

~~The Balancing Party's ASQ for a given Gas Day is the greater of (1) 1000 Dekatherms or (2) 10 percent of the highest daily Scheduled Quantity at such designated interconnect(s) during the prior 15 days.~~

~~On a given Gas Day, a Balancing Party may take gas in excess of Scheduled Quantities or not take delivery of all Scheduled Quantities at the interconnect(s) listed under the Balancing Party's LMS-PA Agreement up to its ASQ.~~

(c) ~~Imbalance Tolerance Bandwidth—110 to 120 Percent~~

~~On a Gas Day that the net pipeline position exceeds plus or minus 25,000 Dekatherms, any Balancing Party subject to the Daily Imbalance Charge under this Rate Schedule, whose Cumulative Imbalance is 1) equal to or greater than 110 percent but less than 120 percent of that Balancing Party's ASQ and 2) has a Cumulative Imbalance in the same direction (positive or negative) as the net pipeline position, will be notified by Company of its Daily Imbalance position no later than 5:00 p.m. CCT the following Gas Day.~~

~~If the notified Balancing Party fails to take corrective action during the Gas Day following Company's Daily Imbalance position notice pursuant to this Subsection, such Balancing Party shall be assessed a Daily Imbalance Charge per Dekatherm equal to two times the currently effective maximum rate under Tennessee Gas Pipeline Company's Rate Schedule PAL. The Daily Imbalance Charge under this Subsection shall apply only to those quantities of the Cumulative Imbalance that are equal to or greater than 110 percent but are less than 120 percent of the Balancing Party's ASQ.~~

(d) ~~Imbalance Tolerance Bandwidth—120 Percent or Greater~~

—— On a Gas Day that the net pipeline position exceeds plus or minus 25,000 Dekatherms, any Balancing Party subject to the Daily Imbalance Charge under this Rate Schedule whose Cumulative Imbalance is 1) equal to or greater than 120 percent of that Balancing Party's ASQ and 2) has a Cumulative Imbalance in the same direction (positive or negative) as the net pipeline position will be notified by Company of its Daily Imbalance position no later than 5:00 p.m. CCT the following Gas Day.

—— If the notified Balancing Party fails to take corrective action during the Gas Day following Company's Daily Imbalance position notice pursuant to this Subsection, such Balancing Party shall be assessed a Daily Imbalance Charge per Dekatherm equal to four times the currently effective maximum rate under Tennessee Gas Pipeline Company's Rate Schedule PAL. The Daily Imbalance Charge under this Subsection shall apply only to those quantities of the Cumulative Imbalance that are equal to or in excess of 120 percent of the Balancing Party's ASQ.

5.3——Treatment of Revenue

All amounts invoiced and collected by Company as payment of the Daily Imbalance Charges assessed under this Rate Schedule, net of incremental administrative charges (including costs that Company incurs in making such sales pursuant to Section 22 of the General Terms and Conditions), will be treated as LMS penalties and shall be allocated by Company to Balancing Parties using the methodology set forth in Subsection 23.2 of the General Terms and Conditions.

6.——MONTHLY IMBALANCES

(a)—— A Balancing Party's monthly imbalance shall be the net total of Daily Imbalances from all points covered by the Receipt Point OBA. Unless Company and Balancing Party mutually agree to correct the imbalance in kind on a nondiscriminatory basis, each month Company and Balancing Party shall "cash out" any imbalance between receipts and Scheduled Quantities at receipt points covered by the Receipt Point OBA. Company shall divide the monthly imbalance by the sum of the Scheduled Quantities for all days of the month for all points covered by the OBA to determine the percent monthly imbalance to be cashed out as set forth below:

(b)—— If the monthly imbalance percentage is due to an excess of receipts relative to Scheduled Quantities, Company shall pay the Balancing Party in accordance with Schedule A below. If the monthly imbalance percentage is due to a deficiency in receipts relative to Scheduled Quantities, the Balancing Party shall pay Company in accordance with Schedule B below. Notwithstanding the above, a monthly imbalance that is less than 1,000 Dekatherms shall be cashed out at the 0-5 percentage level.

Schedule A

<u>Monthly Imbalance Percentage</u>	<u>Company Pays Balancing Party the Following Percent of the Index Price</u>
0-5%	100%
>5-10%	85%
>10-15%	70%
>15-20%	60%
>20%	50%

Schedule B

<u>Monthly Imbalance Percentage</u>	<u>Balancing Party pays Company the Following Percent of the Index Price</u>
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0-5%	100%
>5-10%	115%
>10-15%	130%
>15-20%	140%
>20%	150%

~~———— The Index Price shall be the monthly average of the daily, midpoint Tennessee, 500 Leg price as published in the “Daily price survey” of Platts *Gas Daily* for the month. The Index Price will be posted on the System in a reasonable time after receipt of the final “Daily price survey” for the month. If the “Daily price survey” of *Gas Daily* is no longer published, Company shall use an alternative publication to determine the spot price indices for calculation of the Index Price. Company shall allocate “cash-outs” with other upstream pipelines according to the same formula.~~

~~———— For the purpose of determining the level at which a Balancing Party's imbalance shall be cashed out, if a Balancing Party has an imbalance outside a given tolerance level, the escalating or declining percentage of the Index Price will apply only to the portion of the imbalance outside of the tolerance level.~~

~~———— The amounts due hereunder shall be paid in accordance with Sections 5 and 6 of the General Terms and Conditions of Company's FERC Gas Tariff.~~

~~(c) — Access to Information~~

~~———— Company will make available by electronic means the best information it has concerning the scheduled deliveries at all Delivery Points. This information regarding the scheduled deliveries shall become “Operational Data” and Balancing Parties will be able to utilize the Operational Data for purposes of correcting imbalances during the month. Monthly imbalances will be cashed out on the basis of actual deliveries and Scheduled Quantities; provided that the penalty level and pricing associated with imbalances will be based upon the lesser of (1) the monthly operational imbalance reported by Company based upon the Operational Data or (2) the monthly imbalance based upon actual receipts and deliveries at such locations.~~

~~(d) — Limitation on Charges~~

~~———— Any imbalances caused by an event as set forth in Section 10 of the General Terms and Conditions, or by Company's actions (including providing the Balancing Parties inaccurate balancing information), or by Balancing Party's compliance with an OFO issued pursuant to Section 8 of the General Terms and Conditions, will not be included in the calculation of the total monthly imbalance for purposes of determining the appropriate cash-out level and will be cashed out at the 0-5 percent tolerance level, as set forth in Subsection 6(b) above.~~

~~(e) — Operational Integrity~~

~~———— Nothing in this Section 6 shall limit Company's right to take action as may be required to adjust receipts of gas in order to alleviate conditions that threaten the integrity of its system.~~

~~(f) — Disposition of Charges~~

~~———— At the conclusion of each annual period, Company will determine the net cashout activity in accordance with Section 39 of the General Terms and Conditions.~~

~~7. — GENERAL TERMS AND CONDITIONS~~

~~Balancing Party shall provide Company with such information as is needed to meet the requirements placed on Company by regulation, rule, and/or order. Furthermore, any terms or conditions not specified in this Rate~~

~~Schedule shall be determined consistent with Company's General Terms and Conditions specified in Volume I of Company's FERC Gas Tariff, which are incorporated into this Rate Schedule. To the extent any terms and conditions specified in this Rate Schedule are inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. To the extent any terms and conditions specified in any Receipt Point OBA are inconsistent with any terms and conditions specified in this Rate Schedule, then the terms and conditions of this Rate Schedule shall govern.~~

1. DEFINITIONS

Except where the context expressly states another meaning, the following terms when used in this Tariff and in any service agreement incorporating this Tariff, shall be construed to have the following meanings:

- o The term "ACA" shall mean the Annual Charge Rate Adjustment described in Section 18 of these General Terms and Conditions.
- o The term "Account Holder" shall mean a party using the services of a Title Transfer Tracking Service Provider.
- o The term "Balanced Point" shall mean a nominatable non-physical point on Company's system that facilitates the aggregation of quantities of gas to be delivered at a Variable Load Point with quantities of gas to be delivered at certain agreed upon physical interconnections under Rate Schedule TPB. Any operational imbalance is recognized at the Balanced Point.
- o The term "Balancing Party" shall mean any person that has entered into an Operational Balancing Agreement with Company.
- o The term "Balancing Provider" is a party performing a third-party balancing service pursuant to Rate Schedule TPB.
- o The term "Bidder" shall mean any Person that submits a Bid for released transportation capacity pursuant to the terms of Section 21 of these General Terms and Conditions.
- o The term "Billing Commencement Date" shall mean the date when a Customer's service and payment obligation commences. The Billing Commencement Date for any Customer receiving transportation as a result of placing into service the construction of new facilities shall occur when Company informs such Customer by at least one day's notice that there is capability, to receive gas at Customer's Receipt Point and to make related deliveries of gas at Customer's Delivery Point, all in accordance with the provisions of Customer's transportation agreement.
- o The term "British thermal unit" or "Btu" shall mean the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at a standard pressure of 14.73 dry psia at 60 degrees Fahrenheit.
- o The term "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico. [3.2.1]
- o The terms "Central Clock Time" and "CCT" shall mean Central Daylight Time when daylight savings time is in effect and Central Standard Time when daylight savings time is not in effect.
- o The term "Company" shall mean Midwestern Gas Transmission Company, a "Service Provider" pursuant to NAESB WGQ Standards.
- o The term "Commission" and "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory authority having jurisdiction over Company under the Natural Gas Act or supervening legislation.
- o The term "Critical System Wide Notices" shall mean information concerning Company's facilities that affects scheduling or adversely affects scheduled gas flow.

- o The term "Cubic Foot" shall mean the quantity of gas that occupies one cubic foot when such gas is at a temperature of 60 degrees Fahrenheit, and at a pressure of 14.73 pounds per square inch absolute (psia).
- o The term "Customer" shall mean any party (such as a Balancing Party) delivering gas into Company's system and any Person, other than Company, receiving a service subject to the provisions of this FERC Gas Tariff or that is a party to an agreement subject to the provisions of this FERC Gas Tariff.
- o The term "Customer Activities" shall mean the business function categories related to Nominations, Flowing Gas, Invoicing, Capacity Release, Contracts, and other business functions on industry Web sites. [4.2.10]
- o The term "day" or "Gas Day" shall mean a period of twenty-four consecutive hours beginning and ending at 9:00 a.m. CCT. The reference date for any day shall be the date of the beginning of such day. [1.3.1]
- o The term "Dekatherm" shall mean 1,000,000 Btu's. The standard quantity for nominations, confirmation and scheduling is Dekatherms per Gas Day in the United States, gigajoules per Gas Day in Canada and Mexico, and gigacalories per Gas Day in Mexico for transactions that occurred prior to the enactment of Mexico Resolution RES/267/2006 dated September 7, 2006. (For reference 1 Dekatherm = 1,000,000 Btu's; 1 gigajoule = 1,000,000,000 joules; and 1 gigacalorie = 1,000,000,000 calories.) For commercial purposes, the standard conversion factor between Dekatherms and gigajoules is 1.055056 gigajoules per Dekatherm and between Dekatherms and gigacalories is 0.251996 gigacalories per Dekatherm. The standard Btu is the International Btu, which is also called the Btu (IT); the standard joule is the joule specified in the SI system of units. [1.3.14]
- o The term "Delivery Point(s)" shall mean the point or points listed on Company's Informational Postings web site for delivery of gas for the account of Customer.
- o The term "Eastern Mainline" shall mean the approximate 30.9 miles of 16-inch diameter pipeline commencing at the Company's existing mainline compressor station located near Portland, Tennessee and traversing southeasterly to two (2) interstate pipeline interconnections with 1) Columbia Gulf Transmission Company and 2) East Tennessee Natural Gas Company located near Hartsville, Tennessee in Trousdale County, Tennessee.
- o The term "Elapsed Prorata Capacity" or "EPC" shall mean that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity. [5.2.3]
- o The term "Equivalent Quantity" unless otherwise stated in the transportation agreement shall mean, that during any given period of time, the quantities of gas delivered hereunder at the Delivery Point(s) shall be the thermal equivalent of the quantities of gas received at the Receipt Point(s) for transportation less thermal quantities of gas for Customer's system fuel use and gas lost and unaccounted for associated with transportation service.
- o The term "In-Direction" shall mean a firm nomination line item that has a nominated flow direction in the same direction as the Service Requester's current Transportation Path.
- o The term "Lending Point" relative to a Customer shall mean the Lending Points as shown or referenced on Exhibit A to such Customer's PAL Agreement where such Customer can borrow gas quantities on Company's system pursuant to such PAL Agreement.

- o The term "Mainline" shall mean the 30-inch diameter pipeline and appurtenant facilities extending from an interconnection between Company and Tennessee Gas Pipeline Company near Portland, Tennessee and extending to a point of interconnection between Company and ANR Pipeline Company located near Joliet, Illinois.
- o The term "Maximum Balancing Quantity" shall mean the maximum Dekatherms per day quantity of gas authorized by Balancing Provider to Company to deliver to the Variable Load Point on an instantaneous basis as detailed on Exhibit A of the Third Party Balancing Service Agreement.
- o The term "Maximum Park and Loan (PAL) Quantity" shall mean the Dekatherms per day of gas shown as the Maximum Park and Loan (PAL) Quantity that is relative to the Parking Points and Lending Points shown on Exhibit A to a Customer's PAL Agreement.
- o The term "Maximum Rate" shall mean the applicable maximum rates listed on the Summary of Rates and Charges in Company's FERC Gas Tariff as such rates may change from time to time subject to Commission approval. The Maximum Rate may include a Maximum Demand Rate and/or a Maximum Commodity Rate.
- o The term "Mcf" shall mean 1,000 Cubic Feet of gas.
- o The term "Minimum Rate" shall mean the applicable minimum rates listed on the Summary of Rates and Charges in Company's FERC Gas Tariff as such rates may change from time to time subject to Commission approval.
- o The term "month" shall mean the period beginning at 9:00 a.m. CCT on the first day of the calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- o The term "Monthly Cash Out" shall mean payment pursuant to Section 6 of Company's Rate Schedules ~~LMS-MA or LMS-PA~~.
- o The term "NAESB" shall mean the North American Energy Standards Board. The term "WGQ" shall mean Wholesale Gas Quadrant.
- o The term "Netting" shall describe the process of resolving imbalances for a Customer or its Agent within an Operational Impact Area. [2.2.3]
- o The term "New Facilities Charge" means an amount Company charges Customer to recoup some or the entire cost (including income tax effects resulting from such reimbursement) of facilities constructed at the Customer's request.
- o The term "OBA" shall mean Operational Balancing Agreement.
- o The term "Operational Flow Order" or "OFO" is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of Company's system or to maintain operations required to provide efficient and reliable firm service. Whenever Company experiences these conditions, any pertinent order should be referred to as an Operational Flow Order. [1.2.6]
- o The term "Operational Impact Area" shall mean the largest possible area(s) on Company's system in which imbalances have a similar operational effect. For imbalance resolution, Company shall designate its entire pipeline system as a single Operational Impact Area. [2.2.2]

- o The term "Out-of-Direction" shall mean a firm nomination line item that has a nominated flow direction opposite of the Service Requester's current Transportation Path direction.
- o The term "Parking Point" relative to a Customer shall mean the Parking Points as shown or referenced on Exhibit A to such Customer's PAL Agreement where such Customer can park gas quantities on Company's system pursuant to such Agreement.
- o The term "Person" shall mean an individual, a corporation, a limited liability company, a partnership, an association, a joint venture, a trust, an unincorporated organization or a government or political subdivision thereof; and pronouns shall have a similarly extended meaning.
- o The term "Primary Delivery Point" for a given firm transportation agreement shall mean the Delivery Point at which the firm Customer currently has assigned its primary scheduling rights.
- o The term "Primary Receipt Point" for a given firm transportation agreement shall mean the Receipt Point at which the firm Customer currently has assigned its primary scheduling rights.
- o The term "Receipt Point(s)" shall mean the point or points listed on Company's Informational Postings web site for receipt of gas for Customer's account.
- o The term "Release Quantity" shall mean the maximum quantity that a Customer releases under Section 21 of these General Terms and Conditions, whether for temporary or permanent assignment.
- o The term "Releasing Shipper" shall mean any Customer that releases capacity pursuant to the provisions of Section 21 of these General Terms and Conditions.
- o The term "Replacement Shipper" shall mean a Person who has obtained firm transportation capacity from a Releasing Shipper.
- o The term "Scheduled Quantity" or "Scheduled Quantities" shall mean the quantity of natural gas that (i) Customer nominates for receipt at a Receipt Point (including fuel use and gas lost and unaccounted for) or the quantity that Company redelivers to Customer at a Delivery Point; or that (ii) the Balancing Party confirms pursuant to Section 3 of Company's Rate Schedules ~~LMS-MA or LMS-PA~~; or that (iii) Company schedules for receipt or delivery at a Lending Point, Parking Point, SA Point, or Transfer Point.
- o The term "Service Requester" shall mean a Customer or its Nomination Agent (one who has been pre-designated by Customer to serve in such role). If a Customer elects to use a Nomination Agent for a given service agreement, the Nomination Agent replaces the Customer as the sender of the nomination information as well as the receiver of the nomination-related information from Company for such agreement.
- o The term "Stranded Allocated Capacity" shall mean pipeline and/or point capacity that has been allocated by Company to a given Customer in a supported nomination and scheduling cycle that was not fully confirmed by the upstream and/or downstream confirming party(ies).
- o The term "Supply Aggregation Point" (SA Point) shall mean a non-physical point on Company's system which serves as a single location to aggregate nominated quantities of gas received and delivered pursuant to Rate Schedule SA.
- o The term "System" shall mean Company's computer information and scheduling system, accessed through Company's interactive Internet web site or through Electronic Data Interchange. "Electronic Data Interchange" or "EDI" shall mean electronic communication

through means other than Company's System that complies with the Electronic Delivery Mechanism Standards of the North American Energy Standards Board Wholesale Gas Quadrant ("NAESB WGQ").

- o The term "Third Party Account Administrator" is a Title Transfer Tracking Service Provider other than Company. [1.2.17]
- o The term "Title" shall be the term used to identify the ownership of gas. [1.2.13]
- o The term "Title Transfer" shall be the term used to reflect the change of Title to gas between parties at a location. [1.2.14]
- o The term "Title Transfer Nomination" shall mean a nomination line item requesting the service of Title Transfer Tracking and is sent by an Account Holder to a Title Transfer Tracking Service Provider. [1.2.19]
- o The term "Title Transfer Tracking" shall be the process of accounting for the progression of Title changes from party to party that does not effect a physical transfer of gas. [1.2.15]
- o The term "Title Transfer Tracking Service Provider" (TTTSP) shall be a party conducting the Title Transfer Tracking activity. [1.2.16]
- o The term "Total Heating Value," when applied to a cubic foot of gas, shall mean the number of Btu's produced by the complete combustion with air, at constant pressure, of one anhydrous (dry) cubic foot of gas under a pressure of 14.73 psia and a temperature of 60 degrees Fahrenheit and when the products of combustion are cooled to the initial temperature of the gas and air and the water formed by combustion is condensed to the liquid state.
- o The term "Transfer Point" shall be used to describe a point on Company's system where, for purposes of scheduling and nominations, in-line transfers of gas from one transportation agreement to another shall occur.
- o The term "Transportation Path" shall mean the pipeline path and flow direction from and including the farthest Receipt Point to and including the farthest Delivery Point as stated in the Exhibit A for each firm transportation agreement contracted on Company's system.
- o The term "Transportation Quantity" shall mean the quantity of natural gas specified in Customer's Firm Transportation Agreement that Company obligates itself to be ready to transport and deliver each day on behalf of Customer.
- o The term "Variable Load Point" shall be defined as a physical delivery point of interconnection on Company's system directly supplying an end-use market whose load requirements are expected to fluctuate widely during the day, month, or year. An OBA must be executed at a Variable Load Point.
- o The term "Variable Load Point Customer" is a party receiving balancing services from a Balancing Provider under Rate Schedule TPB.
- o The term "volume," where used herein or in a gas service contract, shall mean the number of Mcf adjusted for heat content (in Dekatherms) as applicable.
- o The term "year" shall mean a period of 365 consecutive days; provided, however, that any such year which contains a date of February 29 shall consist of 366 consecutive days.

3. MEASUREMENT REPORTING AND SCHEDULING OF RECEIPTS AND DELIVERIES

3.1 Reporting Unit of Measurement

The reporting unit for energy quantities transported and used by Company will be Dekatherms at the standardized reporting basis as defined by NAESB WGQ.

3.2 Measurement Reporting

The volume and the Total Heating Value of gas received and delivered by Company shall be determined for all purposes, including invoicing by Company and payment by Customers and LMS-~~MA and LMS-PA~~ parties, on the basis of the electronic measurement equipment installed by Company at receipt and delivery points.

3.2.1 Unit of Volume

The unit of volume, for the purpose of measurement, shall be defined as one cubic foot (1cf) of gas at a temperature of sixty degrees (60) Fahrenheit, and at a pressure of thirty-three hundredths (.33) pounds per square inch above an assumed atmospheric pressure of fourteen and four tenths (14.4) pounds per square inch resulting in a pressure base of (fourteen and seventy-three hundredths (14.73) pounds per square inch absolute pressure).

3.2.2 Determination of Gas Temperature

The temperature of the gas passing through the meters shall be determined, continuously by a recording thermometer so installed that it may properly record the degrees Fahrenheit temperature of the gas flowing through the meters. The arithmetic averages of the temperature recorded each day shall be used in computing the measured volume of gas in Mcf.

3.2.3 Determination of Total Heating Value

The Total Heating Value of the gas per cubic foot (Btu/cf) shall be determined by taking the average of the heating values as determined each day by a chromatograph or the chromatographic analysis of a collected gas sample, or any other method mutually agreed upon.

The average (flow-weighted) heating value of the gas per cubic foot (Btu/cf) for a unit of time shall be determined by the total Dekatherm quantity measured divided by the corresponding total volume of gas, in Mcf, multiplied by 1000.

3.2.4 Determination of Specific Gravity

The specific gravity of the gas delivered shall be determined by the use of chromatographic analysis or any other method mutually agreed upon. Determination of the specific gravity and heating value per cubic foot (Btu/cf) shall be determined at approximately the same time or from the same analyzed gas sample.

3.2.5 Deviation from Boyle's Law

The deviation of the natural gas from Boyle's Law shall be determined by the use of the tables of formulae published by the American Gas Association Par Research Project NX-19 corrected for carbon dioxide (CO₂) and nitrogen (N₂), or any applicable formulae published by the American Gas Association. The molecular percentage of N₂ and CO₂ shall be determined at approximately the same time or from the same analyzed gas sample used for the determination of heating value and shall be used to determine the compressibility factors, with corrections for temperature and pressure.

3.2.6 Calculation of Dekatherm Quantity

The measured Dekatherm quantity of natural gas shall be determined by multiplying the volume of gas in Mcf by the ratio of the heating value per cubic foot to 1,000.

3.3 Measurement Closing

The closing of measurement shall be no later than the fifth (5th) Business Day after the close of the production month.

3.4 Allocation of Receipt and Delivery Point Measurement

3.4.1 Allocation of Receipts Pursuant to Operational Balancing Agreement

Unless prohibited by applicable law or regulation, the Dekatherm quantity of gas received by Company at any receipt point shall be allocated in accordance with the allocation procedures specifically agreed to by Company and the Balancing Party at the receipt point(s) as set forth in the Operational Balancing Agreement governing the point; provided, however, Company will not be required to enter into such arrangements with a party if that party does not meet Company's creditworthiness provisions set forth in Section 25 of the General Terms and Conditions.

3.4.2 Allocation of Deliveries Pursuant to the Operational Balancing Agreement

Unless prohibited by applicable law or regulation, the Dekatherm quantity of gas delivered by Company at any delivery point shall be allocated in accordance with the allocation procedures specifically agreed to by Company and the Balancing Party, as set forth in the Operational Balancing Agreement governing the point provided, however, Company will not be required to enter into such allocating arrangements with: (i) a party if that party does not meet Company's creditworthiness provisions set forth in Section 25 of the General Terms and Conditions or, (ii) a market aggregator if the aggregator does not demonstrate that it has the physical or contractual ability to control the flow of gas at the applicable delivery point(s) and the contractual right to allocate gas deliveries at such point(s).

3.4.3 Allocation of Receipts/Deliveries in Absence of Operational Balancing Agreement

In the absence of a point allocation methodology at a given point as described above due to the lack of an Operational Balancing Agreement or for other reasons, the interconnected party shall advise Company, prior to the commencement of the day, of a Pre-determined Allocation ("PDA") methodology to be utilized in allocating scheduled receipts or deliveries among all parties and scheduling services at such points; provided that such methodology must allocate flows based on scheduled quantities.

Company shall accept NAESB WGQ-approved allocation methodology types from the upstream or downstream custody transfer party who is providing the point confirmation. [2.3.19]

Company shall confirm receipt of the PDA within 15 minutes. Confirmation of receipt of PDAs transmitted via EDI shall be Company's PDA quick response via EDI. Confirmation of receipt of PDAs transmitted via facsimile shall be the sending party's facsimile transmission report.

In the absence of receipt of a PDA, Company shall allocate quantities received or delivered at a certain point in proportion to the Scheduled Quantities.

Company shall operate in a manner such that allocated quantities will equal scheduled quantities for gas quantities into and out of a Title Transfer Tracking Service Provider ("TTTSP") from or to a pool(s). Company shall not be required to accept PDAs for those transactions nor separately provide, or transmit, Allocations to parties to such transactions. [1.3.71]

Where the allocated quantities with respect to a TTTSP are different than the scheduled quantities provided by Company to the TTTSP, for the same period, Company shall provide to the TTTSP Allocations (NAESB WGQ Standard No. 2.4.3) for the quantities into the TTTSP. In addition, Company shall either accept:

- (i) Allocations from the TTTSP, or,
- (ii) PDAs from the TTTSP.

Such information shall be delineated at the level of the nomination line items provided by the TTTSP to Company for the purpose of allocating quantities out of the TTTSP. [1.3.71]

3.4.4 Notification of Allocation Rules

Upon receipt of a request from a Service Requester at a given point, Company will notify such Service Requester of the applicable rules governing the allocation of Service Requester's gas at the point.

3.4.5 Time Limit for Allocation Disputes

The time limitation for disputes of allocations shall be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods. [2.3.26]

3.5 Access to System to Transact Business

All Nominating and Confirming Parties are responsible for purchasing and maintaining the equipment reasonably necessary to communicate with the System and for using the System for all transactions relating to transportation services.

3.6 Nominations

3.6.1 Standard Nomination and Confirmation Timeline

Company shall support the following standard nomination cycles (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17) [1.3.2]:

(i) The Timely Nomination Cycle

On the day prior to gas flow:

1:00 p.m. Nominations leave control of the Service Requester;
1:15 p.m. Nominations are received by the Company (including from Title Transfer Tracking Service Providers (TTTSPs));
1:30 p.m. Company sends the Quick Response to the Service Requester;
4:30 p.m. Company receives completed confirmations from Confirming Parties;
5:00 p.m. Service Requester and Point Operator receive scheduled quantities from the Company.

Scheduled quantities resulting from Timely Nominations shall be effective at the start of the next Gas Day.

(ii) The Evening Nomination Cycle

On the day prior to gas flow:

6:00 p.m. Nominations leave control of the Service Requester;
6:15 p.m. Nominations are received by the Company (including from TTTSPs);
6:30 p.m. Company sends the Quick Response to the Service Requester;
8:30 p.m. Company receives completed confirmations from Confirming Parties;
9:00 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Evening Nominations shall be effective at the start of the next Gas Day.

(iii) The Intraday 1 Nomination Cycle

On the current Gas Day:

10:00 a.m. Nominations leave control of the Service Requester;
10:15 a.m. Nominations are received by the Company (including from TTTSPs);
10:30 a.m. Company sends the Quick Response to the Service Requester;
12:30 p.m. Company receives completed confirmations from Confirming Parties;
1:00 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 1 Nominations shall be effective at 2:00 p.m. on the current Gas Day.

(iv) The Intraday 2 Nomination Cycle

On the current Gas Day:

2:30 p.m. Nominations leave control of the Service Requester;
2:45 p.m. Nominations are received by the Company (including from TTTSPs);
3:00 p.m. Company sends the Quick Response to the Service Requester;
5:00 p.m. Company receives completed confirmations from Confirming Parties;
5:30 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations shall be effective at 6:00 p.m. on the current Gas Day.

(v) The Intraday 3 Nomination Cycle

On the current Gas Day:

7:00 p.m. Nominations leave control of the Service Requester;
7:15 p.m. Nominations are received by the Company (including from TTTSPs);
7:30 p.m. Company sends the Quick Response to the Service Requester;
9:30 p.m. Company receives completed confirmations from Confirming Parties;
10:00 p.m. Company provides scheduled quantities to the affected Service Requester and Point Operator.

Scheduled quantities resulting from Intraday 3 Nominations shall be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

- (vi) For purposes of NAESB WGQ Standard No. 1.3.2 (ii), (iii), (iv), and (v), the word "provides" shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post. [1.3.2(vi)]

3.6.2 Transmittal Nominations

Upon execution of a service agreement, the Service Requester shall send its nomination(s) to Company through the System with the information specified pursuant to the currently effective NAESB standards, as set forth in this Tariff.

If the System is unavailable for nomination purposes, the Service Requester may send its nomination(s) to Company by facsimile.

No transportation service will commence unless or until Company has received the nomination(s) through the System or by facsimile in the event the System is unavailable, and all applicable upstream/downstream connected parties have submitted to Company the information required by Section 3 of Rate Schedules ~~LMS-MA or LMS-PA, as applicable.~~

3.6.3 Responsibility to Confirm Nominations

The Confirming Parties at the applicable Receipt and Delivery Points will confirm with Company through the System that Service Requester's nominated quantities will be received or delivered.

If the System is unavailable, the Confirming Party may send its confirmation to Company by facsimile.

Company has determined that it will employ the confirmation process in its interactions with a TTTSP including a TTTSP acting as Company's agent, if any. Company shall also offer to employ with similarly situated TTTSPs, and may at its discretion require that other TTTSPs employ, the confirmation process in addition to the nomination on behalf of process for the purpose of coordinating activities at Company's locations with respect to Title Transfer Tracking. [1.3.77]

With respect to Title Transfer Tracking activity, when a reduction on a party's delivery side occurs at a location, and Company does not keep the party whole, Company shall pass the reduction to the appropriately ranked receipt transaction. When a reduction on a party's receipt side occurs at a location, and Company does not keep the party whole, Company shall pass the reduction to the appropriately ranked delivery transaction. [1.3.76]

Absent ranking information provided by the Third Party Account Administrator and absent a contrary mutual agreement to proceed otherwise, where transactions related to Third Party Account Administrator activities are not balanced at the end of any confirmation cycle, transactions entering the Third Party Account Administrator (receipt) or leaving the Third Party Account Administrator (delivery), whichever is higher, shall be reduced pro rata to match the total of the transactions on the other side of the Third Party Account Administrator. [1.3.72]

3.6.4 Change in Scheduled Transportation Service Via Nomination

For purposes of requesting any change in previously scheduled transportation service, Customer will send its nomination(s) via the System to Company when necessary pursuant to the NAESB WGQ standard nomination timelines stated in Subsection 3.6.1 above.

Company shall attempt to confirm such nomination changes with the corresponding Confirmation Parties pursuant to the NAESB WGQ standard nomination timelines stated in Subsection 3.6.1 above.

If Company is unable to confirm such nomination changes with the corresponding Confirmation Parties, Company shall utilize NAESB WGQ Standard No. 1.3.22 to direct how such nomination change is to be treated.

3.6.5 Duration of Timely and Evening Nominations

The service specified for a given scheduled timely and/or evening nomination shall be effective commencing at the start of the Gas Day on the beginning calendar day and terminating at the start of the Gas Day on the ending calendar day provided that the requested time period is wholly within the term of the applicable service agreement pursuant to which the nomination is submitted.

Company shall attempt to confirm Intraday 1, 2 and 3 Nomination changes subject to the restrictions set forth in Subsection 3.6.8 below.

3.6.6 Treatment of Hourly Requests During Off Hours

A Service Requester may request a change in its nomination quantity sixty minutes in advance to be effective on any hour of the day between 11:00 p.m. CCT and 8:00 a.m. CCT by making an hourly nomination request via the System.

It is the responsibility of the Customer to verbally notify Company's Gas Control Department that an hourly request is desired.

Upon verbal notice of an hourly request, Company shall attempt to confirm such request subject to the restrictions set forth in Subsection 3.6.8.

3.6.7 Nomination Quantity

All nominations, including intraday nominations and hourly requests, shall be stated in terms of a daily transportation quantity.

Company shall not be required to schedule an intraday nomination or an hourly request where the nominated quantity exceeds the Maximum Daily Quantity permitted under the service agreement pursuant to which service is requested or which would require Company to provide an unreasonably excessive change in the hourly flow rate contrary to Subsection 4.5 of Rate Schedule(s) FT-A, FT-B, FT-C, FT-D or Subsection 4.4 of Rate Schedule FT-GS.

Company shall not be required to schedule any intraday nomination or hourly request for a quantity that is less than the quantity of gas that has been scheduled to flow on such day prior to the effective time of such intraday nomination or hourly request.

The last daily nominated quantity stated in an intraday nomination or an hourly request received with respect to a given Gas Day shall be deemed to be the valid nomination quantity for such day and shall supersede any previous nomination quantity for such Gas Day.

An intraday nomination or hourly request shall terminate at the end of the day for which it was submitted and the nomination in effect prior to the submission of any intraday nomination or hourly request for such day shall continue in effect for the time period stated in the nomination or request.

Company shall also make available to the Service Requester at the end of the Gas Day information on any intraday or hourly nomination that is scheduled or not scheduled for delivery and on any scheduled nomination that is amended or changed by Company.

3.6.8 Bump Protection

Company shall not schedule an intraday nomination or hourly request change, if the result of scheduling such nomination or request would be to bump flowing and/or scheduled transportation under any firm primary or secondary service.

Company shall give an intraday nomination submitted by a firm Customer priority over nominated and scheduled gas quantities for Customers flowing gas quantities with a priority below secondary firm service.

Company shall provide bump notice by the notice procedures set forth in Subsection 8.5 of the General Terms and Conditions to the bumped Customers.

Company will not permit bumping for intraday nominations submitted during the Intraday 3 Nomination Cycle.

3.7 Capacity Allocation, Confirmation and Scheduling Processes

If nominated quantities exceed stated pipeline or point capacity at any location on Company's system for a given scheduling cycle, Company shall attempt to allocate nominated quantities of gas as set forth in Subsections 3.7.1 and 3.7.2 prior to confirmation with the interconnecting parties.

Company shall deem nominated quantities to be scheduled once the capacity allocation, and confirmation and scheduling processes are completed for a given scheduling cycle.

3.7.1 Allocation of Pipeline Capacity

In those instances in which the aggregate quantity of all validated nominations in a given flow direction exceed the physical capacity of Company's system at a specific pipeline location or segment, Company will allocate capacity to the validated nominations at the constrained pipeline location in the priority categories specified below (listed from highest to lowest).

- (a) Firm nominations with a flow direction opposite of the physical flow direction at a constrained pipeline location.

Such nomination class will be initially allocated capacity at this priority level given that it potentially creates capacity at the constrained location.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

- (b) Firm nominations with a flow direction in the same direction as the physical flow direction at a constrained pipeline location.

If required, Company shall prioritize nominations within this nomination class as follows:

- (i) In-Path, In-Direction (IPID) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

- (ii) In-Path, Out-of-Direction (IPOD) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class,
Company will cease the allocation process at this step.

(iii) Out-of-Path, In-Direction (OPID) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(iv) Out-of-Path, Out-of-Direction (OPOD) firm transportation nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's Transportation Quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(c) Interruptible nominations.

If required, Company shall prioritize nominations within this nomination class on the basis that the Customer paying the higher interruptible transportation rate shall receive a higher queue position than those paying a lower interruptible transportation rate.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's validated nomination quantity.

(d) Authorized overrun nominations.

If required, Company shall prioritize nominations within this nomination class on the basis that the Customer paying the higher overrun transportation rate shall receive a higher queue position than those paying a lower overrun transportation rate.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's validated nomination quantity.

3.7.2 Allocation of Point Capacity

In those instances in which the aggregate net quantity of all validated nominations exceed Company's physical capacity to receive gas at a specific Receipt Point or deliver gas at a specific Delivery Point, Company will allocate capacity to the validated nominations at the constrained point location in the following priority categories specified below (listed from highest to lowest).

(a) Firm nomination quantities in the opposite direction of the net nominated quantity at the constrained point location.

Such nomination class will be initially allocated capacity given that it potentially adds capacity at the point in the direction of the constraint.

(b) Firm nomination quantities in the same direction as the net nominated quantity at the constrained point location.

If requested, Company shall prioritize nominations within this nomination class as follows:

(i) Primary scheduling rights firm nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's primary scheduling rights at such location.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(ii) Secondary In-Path (SIP) firm nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's secondary scheduling rights at such location.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(iii) Secondary Out-of-Path (SOP) firm nominations.

Pro rata allocation of capacity within this nomination class, if necessary, will be based on Customer's secondary scheduling rights at such location.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(c) Interruptible nominations.

If required, Company shall prioritize nominations within the nomination class on the basis that the Customer paying the higher interruptible transportation rate shall receive a higher queue position than those paying a lower interruptible transportation rate.

Pro rata allocation of capacity within this nomination class for two or more Customers at an equal rate, if necessary, will be based on Customer's validated nominated quantity.

If all available constrained capacity is allocated to this nomination class, Company will cease the allocation process at this step.

(d) Authorized overrun nominations.

If required, Company shall prioritize nominations within the nomination class on the basis that the Customer paying the higher overrun transportation rate shall receive a higher queue position than those paying a lower overrun transportation rate.

Pro rata allocation of capacity within this nomination class for two or more Customers at an equal rate, if necessary, will be based on Customer's validated nominated quantity.

3.8 Partial Curtailment or Full Interruption of Scheduled Capacity

3.8.1 Allocation of Scheduled Capacity Due to Capacity Limitations

If, on any day, Company determines that the capacity of its system, or any portion thereof including the point(s) at which gas is tendered for transportation, is insufficient to serve all Customers that are scheduled to receive service on such day, then capacity that requires allocation shall be allocated in a manner that results in curtailment of capacity, to zero if necessary, sequentially in reverse order to the scheduling priorities provided for in Subsection 3.7 above.

Once scheduled, Rate Schedule FT-A, FT-C, FT-D and FT-GS Customers with secondary capacity scheduling rights at a given point shall be considered to have an equal curtailment allocation priority with Rate Schedule FT-A, FT-C, FT-D and FT-GS Customers with primary capacity scheduling rights at such point.

3.8.2 Allocation of Scheduled Capacity Due to Loss of Line Pack

If Company experiences an unanticipated loss of line pack due to the under delivery of gas quantities by Customer(s) to Company's mainline, then:

- (a) if the deficient source is known, Company will curtail the corresponding scheduled firm and/or interruptible markets; or
- (b) if the deficient sources are undeterminable, then Company will localize the smallest affected area, and will curtail scheduled interruptible service first in reverse scheduling order and then scheduled firm services will be curtailed pro rata; provided that verifiable Receipt Point gas quantities will not be subject to a deficiency of receipts curtailment.

To the extent that information concerning the deficient source is, or becomes available, Company will provide such information via the System to all curtailed Customers.

3.9 Customer Imbalances

3.9.1 Customer's Duty to Control Imbalances

A Customer receiving any transportation service from Company will use, or will cause any party receiving or delivering Customer's gas to use all reasonable efforts to ensure that receipts and deliveries of gas equal the Scheduled Quantities.

A Customer receiving service from Company at a Receipt and/or Delivery Point(s) not covered by an Operational Balancing Agreement shall also be responsible for controlling, and if necessary, adjusting receipts and deliveries of gas to maintain a balance between such receipts, deliveries, and the corresponding Scheduled Quantities.

To the extent a Customer is out of balance at a point not covered by an Operational Balancing Agreement, such Customer will be subject to the daily and monthly balancing provisions contained in ~~the Rate Schedule LMS-MA for Delivery Points or Company's Rate Schedule LMS-PA for Receipt Points~~. Imbalances at such points will be allocated pro rata based on Scheduled Quantities.

3.9.2 Balancing at Contract Termination

Following the termination of the service agreement, Customer shall be required to "cash out" any remaining excess or deficiency in receipts and deliveries in accordance with the procedures established in ~~the Rate Schedules LMS-MA and LMS-PA~~, unless Company and Customer agree otherwise.

3.10 Imbalance Trading

Company shall allow a Customer, or its Agent, to net Customer imbalances within the same Operational Impact Area on and across Agreements and to trade Customer imbalances within the same Operational Impact Area. [2.3.30]

Company shall provide the ability to post and trade Customer imbalances until at least the close of the 19th Business Day of the month. [2.3.41]

An Authorization to Post Imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) that is received by Company by 11:45 a.m. shall be effective by 8:00 a.m. the next Business Day. An imbalance that is previously authorized for posting shall be posted on or before the ninth Business Day of the month. [2.3.40]

Company shall provide the ability to view and, upon request, download posted Customer imbalances. [2.3.42]

Customer imbalances to be posted for trading shall be authorized by Customer. [2.3.43]

Company shall not be required to post a Customer imbalance that has a quantity of zero. [2.3.44]

When trading Customer imbalances, a quantity shall be specified. [2.3.45]

An imbalance trade may only be withdrawn by the Initiating Trader and only prior to the Confirming Trader's confirmation of the trade. A Customer imbalance trade is considered final when confirmed by the Confirming Trader and effectuated by Company. [2.3.47]

Company shall recognize two types of Netting: summing and offsetting. Summing is the process of accumulation of all imbalances above any applicable tolerances for a Customer or its Agent. Offsetting is the process of combining positive and negative imbalances above any applicable tolerances for a Customer or its Agent. [2.2.3]

3.11 Times

Unless a provision of this FERC Gas Tariff expressly states otherwise, all times are Central Clock Time (CCT) [0.3.17].

8.8 OPERATIONAL FLOW ORDERS (OFO)

8.1 Circumstances Warranting OFO

- (a) Company shall have the right to issue OFOs as specified in this Section that require actions by Customers/Balancing Parties in order:
- (i) to alleviate conditions that threaten the integrity of Company's system;
 - (ii) to maintain pipeline operations at the pressures required to provide efficient and reliable transportation services;
 - (iii) to have adequate gas supplies in the system to deliver on demand;
 - (iv) to maintain service to all firm Customers;
 - (v) to maintain the system in balance for the foregoing purposes; and
 - (vi) to respond to any event, including an event of force majeure, which Company believes in its reasonable judgment may jeopardize the integrity of its system.

Specific conditions that could prompt Company issuance of an OFO include:

- (1) The inability of Company to receive scheduled gas at a Receipt Point or to deliver scheduled gas at a Delivery Point due to either an operational or weather-related condition on the associated interconnected system.
 - (2) The receipt of gas that does not conform to Company's quality standards, as specified in Subsection 2.1 of the General Terms and Conditions.
- (b) The OFO will begin when Company issues an OFO in response to one or more of the circumstances described above and shall remain in effect until the circumstance have been remedied. While an OFO is in effect, Company shall provide updates on the status of the circumstance that occasioned the OFO through postings on the System.

8.2 Applicability of OFO

- (a) Company shall issue all OFOs on a non-discriminatory basis. Company shall attempt to minimize the use of OFOs and the declaration of critical periods and, when possible, shall direct an OFO to the specific party(s) creating the operating condition. [1.1.12] Company shall apply OFOs to the smallest number of affected Balancing Party(s) as possible.
- (b) The extent and severity of an OFO called shall be determined by the overall operating conditions of the Company's system. Company shall make an OFO as localized as is reasonably practicable based on Company's good faith and reasonable judgment concerning the situations requiring remediation such that an OFO will be directed (i) first to Customers/Balancing Parties causing the problem necessitating the OFO or transporting gas in the area of the system in which there is an operational problem, and (ii) second to those Customers/Balancing Parties transporting gas in the area of the system where action is required to correct the problem necessitating the OFO. Company will tailor the OFO to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in Subsections 8.5 and 8.6 hereof.

8.3 Action Taken by Company Prior to Issuance of OFO

- (a) Company will informally, via telephone or other electronic communications, request adjustments in the portfolio of flowing gas supplies of Customer(s)/Balancing Party(s) to accommodate the demands on Company's system if in Company's reasonable judgment that such informal requests could alleviate the conditions threatening the system. In cases of high line pack, Company will request Customer(s)/Balancing Party(s) responsible for such conditions to reduce supply nominations or increase delivery quantities. Company will coordinate operational adjustments in flowing gas quantities and pressures with interconnecting pipelines where appropriate in order to alleviate operating concerns caused by line pack levels and planned or unplanned maintenance and repairs. To the extent it is operationally feasible to do so, Company shall provide, via posting on its Informational Postings web site, notice to all Customers and Balancing Parties of upcoming system events and/or operational problems that may necessitate the issuance of an OFO.
- (b) Balancing Party(s) without 24-hour gas monitoring capability shall provide Company with the name and telephone number of a representative who Company may contact at any time to request such adjustments.
- (c) If Company does not receive full cooperation from its informal request(s), it may be necessary for Company, after making informal request to issue OFO. If in Company's reasonable judgment an informal request will not be adequate to sufficiently alleviate conditions threatening the system, then Company may issue the OFO without an advance informal request.
- (d) All OFOs will be posted on Company's System, to be followed by electronic or written notice or other mutually agreeable means of communication, to affected Customers that will set forth the causes or conditions necessitating the OFO.

8.4 Upon Issuance of OFO

- (a) Upon the issuance of an OFO by Company, it shall be incumbent upon each Balancing Party to adjust gas supplies as directed. Such response shall be required within the time frame specified in the OFO. Failure to comply in a timely fashion with an OFO may result in an immediate interruption of all or a portion of Balancing Party's service and cause Balancing Party to incur penalties as provided for in Part 8.8.2 and Section 23 of the General Terms and Conditions.
- (b) In the event Balancing Party(s) does not respond to the OFO and Company believes it is necessary to take actions (i.e., buying or selling gas, etc.) to maintain system integrity or to prevent interrupting service to another Customer, Company shall have the right, but not the obligation, to take such remedial actions as it deems necessary. If Company takes these actions, it shall be made whole by the non-responding Balancing Party(s) for all costs that Company incurs.
- (c) When gas supplies necessary to effectuate transportation, deliveries are not flowing on the system, Company will not be responsible for backing up such supplies and the associated deliveries will be subject to interruption.

8.5 OFO Notification

The declaration to the affected parties of OFOs, critical periods, and/or critical notices shall describe the conditions and the specific responses required from the affected parties. [1.3.26]

All OFOs will be issued via the Informational Postings web site and System to the affected Customer/Balancing Party, and may be followed by a subsequent electronic or telephone communication. The OFO will set forth:

- i. the time and date of issuance;

- ii. Customer/Balancing Party receiving the OFO;
- iii. the actions Customer/Balancing Party is required to take;
- iv. the time by which Customer/Balancing Party must be in compliance with the OFO (if no time is specified, the OFO shall be effective immediately);
- v. the anticipated duration of the OFO (if none is specified, the OFO will be effective until further notice);
- vi. the quantity of gas required to remedy the operational condition requiring the issuance of the OFO; and
- vii. any other terms that Company may reasonably require to ensure the effectiveness of the OFO.

8.5.1 OFOs can be issued to effect any of the following:

- (a) Curtailment of interruptible services;
- (b) Restrictions of deliveries to a specific point or points covered by a Balancing Agreement to the aggregate Transportation Quantity under the firm transportation agreements with primary Delivery Points at the affected locations; and/or
- (c) Forced balancing such that Balancing Parties will be required to assure that nominations equal flows and that receipts and deliveries fall within the tolerance level designated in the OFO.

8.5.2 Notice of Service Interruption

If a full interruption, partial curtailment, or reduction of service due to an OFO shall become necessary, Company shall directly notify affected Customer(s) and post, as soon as possible, a summary of the service interruption. The posting shall contain information about the status of the operational variables that 1) prompted such service interruption and 2) the estimated effective period that the interruption will be in effect. In addition, Company shall post routine status updates throughout the interruption period. Company shall provide an estimate of the quantity of gas it will be able to transport for the affected Customers during the curtailment period and shall give like notice of the cessation of such curtailment.

8.6 Customer/Balancing Party Compliance

A Customer/Balancing Party must comply with an OFO within the time period set forth therein unless the Customer/Balancing Party is able to demonstrate that such compliance (i) is not within the Customer's/Balancing Party's physical control or capability; (ii) is prevented by operating conditions on a third party system that are beyond the Customer's/Balancing Party's control; (iii) is precluded by contractual restrictions or the lack of any contract at all with persons other than Company; and/or (iv) is prevented due to a force majeure event as defined in Section 10 of these General Terms and Conditions. The Customer/Balancing Party shall make a good faith effort to comply with any such OFO, including seeking waivers of any contractual limits with third parties or modifications of operating conditions on third party systems. Customer/Balancing Party shall notify Company immediately if it believes that it is excused from compliance with the OFO for any of the above stated reasons and shall provide Company with documentation sufficient to support its basis for non-compliance.

8.7 Treatment of Customer Imbalances

At the time an OFO is issued, affected Customers will be notified of any imbalances that require immediate resolution pursuant to one of Company's imbalance resolution methods as detailed in Subsection 3.9 of the General Terms and Conditions of Company's FERC Gas Tariff.

Quantities parked and loaned under Rate Schedule PAL or Rate Schedule FPAL may be utilized by Customer to net or trade against Customer imbalances to facilitate the immediate elimination of such imbalances.

8.8 Failure to Respond to OFO

8.8.1 Unilateral Action

In the event that Customer/Balancing Party does not respond to an OFO, or the actions taken thereunder are insufficient to correct the system problem for which the OFO was issued, or there is insufficient time to carry out the procedures with respect to OFOs, Company may take unilateral actions, including the curtailment of firm service, to maintain the operational integrity of Company's system (or any portion thereof).

For purposes of this Section, the operational integrity of Company's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system as an entity (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of gas delivered.

8.8.2 OFO Penalty

If a Customer/Balancing Party fails to comply with an OFO it will be subject to a Failure to Respond OFO Charge for each Dekatherm of gas by which it deviated from the requirements of the OFO. The daily Failure to Comply OFO Charge shall be computed based on a price per Dekatherm equal to three times the midpoint of the range of prices reported for "Chicago city-gates" as published in the Daily price survey in Platts Gas Daily for the flow day on which the OFO is issued.

8.8.3 Waiving of Penalty/Charges

A Balancing Party shall not incur any charges or penalties if such charges or penalties resulted from Customer's/Balancing Party's compliance with an OFO, including any preliminary action taken by Customer/Balancing Party in response to an informal request pursuant to 8.3(a).

Company shall waive any penalty charges incurred by Customer/Balancing Party if Company determines, in its reasonable judgment, that Customer was cooperating with a request of Midwestern, conducting its operations in a responsible manner at the time the penalty charges were incurred, and that Customer's conduct did not impair service to another Customer. Company must grant waivers under this section on a non-discriminatory basis, but the waiver of any penalty charges shall not constitute an automatic waiver of any future penalty charges.

A Customer/Balancing Party shall not incur any penalties if the OFO was necessitated exclusively by Company's negligence or willful misconduct.

8.8.4 All amounts invoiced and collected by Company as payment of OFO penalties under Subsection 8.8.2, net of incremental administrative charges, will be treated as OFO

penalties and shall be allocated by Company to Customers using the methodology set forth in Subsection 23.1 of the General Terms and Conditions.

8.9 Liability of Company

Company shall not be liable for any costs incurred by any Customer/Balancing Party in complying with an OFO. Company shall not be responsible for any damages that result from any interruption in Customer's/Balancing Party's service that is a result of a Customer's/Balancing Party's failure to comply promptly and fully with an OFO, and the noncomplying Customer/Balancing Party shall indemnify Company against any claims of responsibility. However, Company shall use reasonable efforts to minimize any such costs or damages, and nothing herein shall exempt Company from liability in the event of Company's negligence or willful misconduct.

8.10 Follow-up Reports

On a quarterly basis, Company will provide every Customer and Balancing Party that was affected by an OFO during the previous quarter, a written report that details the underlying causes that warranted the issuance of the OFO during the quarter and explains why the actions required by the OFO were necessary to alleviate the identified problems.

9. TITLE TO GAS

9.1 General

This Section shall apply to all transportation service unless otherwise provided in the applicable Rate Schedule or service agreement.

9.2 Warranty of Title to Gas

Customer warrants for itself, its successors and assigns, that it will have, at the time of delivery of gas hereunder, good Title and/or the good right to deliver the gas, that the gas it delivers hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, that Customer will indemnify Company and save Company harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said gas and/or to royalties, taxes, license fees, or charges thereon that are applicable for such delivery of gas and that Customer will indemnify Company and save Company harmless from all taxes or assessments that may be levied and assessed upon such delivery and that are by law payable by and the obligation of the party making such delivery. If Customer's Title or right to deliver gas to be transported is questioned or involved in any action, Customer shall not qualify for or shall be ineligible to continue to receive service until such time as Customer's Title or right to delivery is free from question; provided, however, Company shall allow Customer to qualify for or continue receiving service under this Tariff if Customer furnishes a bond satisfactory to Company. Title to the gas received by Company at the Receipt Point(s) shall not pass to Company, except as provided in Company's Rate Schedules ~~LMS-MA and LMS-PA~~, and Title to gas delivered for Company's system fuel and uses and gas lost and unaccounted for shall pass to Company upon delivery at the Receipt Point(s). To the extent Company sells gas to a Customer or Balancing Party pursuant to the cash out provisions in Rate Schedules ~~LMS-MA or LMS-PA~~, Company shall indemnify and hold Customer or Balancing Party harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said gas and/or royalties, taxes, license fees, or charges thereon.

9.3 Title Transfer Tracking

9.3.1 General

Title Transfer Tracking improves quantity certainty. [1.1.10]

Users of Title Transfer Tracking services shall bear the cost of that service if Company determines that the incremental cost to provide such service measurably exceeds the administrative costs to invoice for such service. [1.1.11]

Title Transfers into and/or out of Title Transfer Tracking Service Provider ("TTTSP") shall be able to occur regardless of the service class of any related transportation. [1.1.21]

At a minimum, Company shall be responsible for accommodating Title Transfer Tracking services at all points identified by Company as pooling points (Transfer Points), where Title Transfer Tracking services are requested. In absence of existing pooling points or in addition to existing pooling points where access to Title Transfer Tracking is not reasonably accessible for supply receipt locations covered by an OBA, Company shall be responsible for accommodating Title Transfer Tracking at no less than one location. [1.3.64]

All Title Transfer Tracking services shall be performed under a contract or other arrangement between the Account Holder and their TTTSP. [1.3.68]

The Title Transfer Tracking services shall be supported by means of nominations, quick responses and scheduled quantities processes. [1.3.65]

A party to a transaction shall nominate, or otherwise communicate in a mutually agreeable manner, the identity of their transaction counterparty along with the applicable, associated nominations-related information to the appropriate Confirming Party or TTTSP. Failure to so act can result in the failure of the subject transaction to be communicated to and scheduled by Company. A Confirming Party may communicate with its party and/or the immediate counterparty as to the existence and nature of a failure to communicate a transaction on the part of the applicable party. A TTTSP may communicate with its Account Holder(s) (AHs) and/or its AH(s)' immediate counterparty(ies) as to the existence and nature of a failure to communicate a transaction on the part of the applicable party. [1.3.74]

9.3.2 Nominations for Company Provided Title Transfer Tracking

A Title Transfer Nomination is a nomination line item requesting service of Title Transfer Tracking and is sent by an Account Holder to a TTTSP. [1.2.19]

9.3.3 Third Party Provided Title Transfer Tracking

All Third Party Account Administrators wishing to provide Title Transfer Tracking services shall so notify Company. All coordination between Third Party Account Administrators and Company shall be performed under a contract between the parties. Whereas Company is a TTTSP on its system, tariff provisions (terms, conditions, and rates) or general terms and conditions of Company, will take the place of a contract. [1.3.66]

Upon reasonable request of the Third Party Account Administrator, Company shall provide the Third Party Account Administrator with one of the following for conducting Title Transfer Tracking activity:

- (a) location code(s);
- (b) contract identifier(s) used in the exchange of transactional data; or
- (c) both (a) and (b) above.

In any event, Title Transfer Tracking activity is always performed at or with respect to a location (physical or logical). [1.3.67]

Company shall communicate with any TTTSP that performs according to the applicable contract between the TTTSP and Company, and that operates in accordance with those NAESB WGQ standards applicable to Title Transfer Tracking. [1.3.69]

Where Company has decided to offer Title Transfer Tracking service by means of an arrangement (including an agreement) with a party which will act as Company's designated party, and regardless of communication methodology between Account Holders and such designated party, Company shall, upon request, identify the TTTSP(s) at a location which have established active Title Transfer Tracking arrangements with Company. The relevant information to be provided shall include the name of each TTTSP, the ID code for each TTTSP used by Company, the contract number for each TTTSP assigned by Company (where applicable), and the location code(s) nominatable to Company for transportation service to or from the location associated with each TTTSP. [1.3.73]

19. INFORMATION AND COMMUNICATIONS REGARDING TRANSPORTATION SERVICES

This Section describes the information and procedures Company will make available to any person.

19.1 Access to Internet Web Site

Company shall provide access to Informational Postings and Customer Activities web sites via designated Internet web addresses.

For further information relative to Company's designated Internet web sites, potential users should contact:

Customer Services ~~Department & Nominations~~
~~Midwestern Gas Transmission Company~~
~~P.O. Box 871~~
~~Tulsa, Oklahoma 74102-0871~~
Phone Number: 1-800-372-2982
Email: oneokmarketservices@oneok.com InterstateScheduling@dtmidstream.com

19.2 Informational Postings Web Site

The Informational Postings web site will be maintained to provide equal and timely access to certain information, as it pertains to Company's pipeline system including: 1) Operationally Available and Unsubscribed Capacity; 2) Affiliate Information; 3) Gas Quality Information; 4) Index of Customers; 5) FERC Standards of Conduct for Transmission Providers pursuant to 18 CFR Part 358; 6) Critical, Non-Critical, and Planned Service Outage Notices; 7) Posted Imbalances; 8) Company's FERC Gas Tariff and 9) Transactional Reporting. ~~Other~~ information or capabilities to comply with additional reporting requirements as dictated by the FERC also shall be included.

Information posted on Company's Informational Postings web site may be fully disseminated by its users.

Information on Company's Informational Postings web site shall be made available so as to permit users to download data to be used in their applications.

Company agreements are located on the Informational Postings Web Site (<https://dtmidstream.com/company/customers/>) under Forms.

19.3 Customer Activities Site

Company's proprietary business functions are accessible via its Customer Activities site.

- (a) The Customer Activities site will be maintained to provide equal and timely access to certain transportation information, as it pertains to Company's pipeline system and in accordance with applicable currently effective FERC's adopted NAESB WGQ standards.
- (b) Any person may communicate with Company via the System, which includes Electronic Data Interchange (EDI), by:
 - (i) acquiring compatible personal computer capability;
 - (ii) executing the applicable access forms with Company; and

- (iii) receiving a user identification password for accessing such site.

~~(e) Company agreements are located under Customer Activities on the Informational Postings web site (www.oneok.com/mgt).~~

19.4 Electronic Data Interchange

A person may communicate with Company via EDI by executing an Electronic Data Interchange Trading Partner Agreement with Company. The Electronic Data Interchange Trading Partner Agreement ~~and the Electronic Communication Agreement~~ can be found on Company's Informational Postings web site (~~www.oneok.com/mgt~~) under ~~Customer Activities~~Forms. The Electronic Data Interchange Trading Partner Agreement follows the format of the NAESB form Electronic Data Interchange Trading Partner Agreement (NAESB Standard No. 6.3.3).

~~To access Company's System, a person must execute an Electronic Communication Agreement with Company.~~

19.5 Service Complaints

Customers are encouraged to resolve any disputes informally with their designated representatives. A formal complaint concerning any services offered by Company shall be directed, preferably in writing, to the Chief Compliance Officer (CCO), Midwestern Gas Transmission Company, ~~ONEOK Plaza, 100 West 5th Street, Tulsa, Oklahoma 74103~~500 Woodward Ave., Suite 2900, Detroit, MI 48226. The CCO or a designee will respond initially to the complainant within 48 hours (exclusive of weekends and holidays), and in writing within 30 days.

21. CAPACITY RELEASE

21.1 Applicability of Capacity Release

This section is applicable to any release of firm capacity under Rate Schedules FT-A, FT-B, FT-C or FT-D. For purposes of this Section 21, Customer(s) will be referred to either as Releasing Shipper(s) and/or Replacement Shipper(s) as applicable.

21.2 Capacity Release Offer

A Releasing Shipper that desires to release its rights to firm capacity pursuant to this Section 21, shall notify Company of its intent by posting directly on the System a capacity release offer containing information consistent with the currently effective FERC adopted NAESB WGQ standards, including any alternative to the method set forth in Subsection 21.10 to choose between bids of equal value. A Releasing Shipper shall notify Company of prearranged releases exempt from competitive bidding pursuant to the prior posting provisions of Subsection 21.4(a).

21.3 Pre-qualification to Submit Bid

Persons that desire to Bid on released transportation rights must pre-qualify with Company in the same manner and subject to the same standards and procedures as required for firm Customers under Section 25 of these General Terms and Conditions.

21.4 Prearranged Releases Permitted Without Competitive Bidding

- (a) A Releasing Shipper may release some or all of its firm transportation rights to a qualified Replacement Shipper(s) without competitive bidding, pursuant to Subsection 21.10, if its proposed release meets the following requirements: ("Exempt Prearranged Bidder")
 - (i) the release of capacity is to an asset manager as defined in 18 C.F.R. § 284.8(h)(3);
 - (ii) the release of capacity is to a marketer participating in a state-regulated retail access program as defined in 18 C.F.R. § 284.8(h)(4);
 - (iii) the release of capacity is for more than one year at the applicable Maximum Rate for the applicable firm transportation service being released; and
 - (iv) the release of capacity is for any period of 31 days or less.

Notice of the prearranged releases that qualify under this Subsection 21.4(a) of these General Terms and Conditions must be posted on the System as soon as possible, but not later than the first nomination, after the release transaction commences. This posting shall contain information consistent with the currently effective FERC adopted NAESB WGQ standards. In addition, for releases to an asset manager the posting should include the volumetric level of the asset manager's delivery or purchase obligation and the time periods during which that obligation is in effect. The posting should also include whether the release is to a marketer participating in a state-regulated retail access program.

- (b) A Releasing Shipper that releases capacity for any period of 31 days or less pursuant to Subsection 21.4(a)(iv) may not rollover, renew, or otherwise continue the original capacity release to the same Replacement Shipper until twenty-eight (28) days after the original release period has expired, unless:

- (i) for the re-release to the same Replacement Shipper, the Releasing Shipper follows the prior posting and bidding procedures set forth in Subsection 21.5 of these General Terms and Conditions; or
- (ii) the re-release to the same Replacement Shipper qualifies for any of the other exemptions from competitive bidding under Subsections 21.4(a)(i), (ii), and (iii).

21.5 Prearranged Releases Subject to Competitive Bidding

Prearranged Releases with a term greater than thirty-one (31) days but less than one year are subject to prior posting and competitive bidding. ("Non-Exempt Prearranged Bidder")

- (a) Releasing Shipper shall submit to Company all applicable information required by Subsection 21.2 and be subject to the bidding process required by Subsection 21.10 of these General Terms and Conditions on the System. The System will automatically assign an individual offer number to such capacity release offer. The period of time for posting of the information ("Posting Period"), and the period of time during which Bids will be received on such capacity release offer ("Bidding Period"), shall be as set forth in Subsection 21.11 of these General Terms and Conditions unless otherwise specified in the capacity release offer. The Bidding Period shall be enclosed within the Posting Period.
- (b) Releasing Shipper may withdraw its capacity release offer, by written or electronic notice of withdrawal, up to the close of the applicable Bidding Period where unanticipated circumstances justify such withdrawal and no qualified Bid has been submitted.

21.6 Non-Prearranged Releases Subject to Competitive Bidding

Releases that are not prearranged are subject to prior posting and competitive bidding.

- (a) Releasing Shipper shall submit to Company all applicable information required by Subsection 21.2 and be subject to the bidding process required by Subsection 21.10 of these General Terms and Conditions on the System. The System will automatically assign an individual offer number to such capacity release offer. The period of time for posting of the information ("Posting Period"), and the period of time during which Bids will be received on such capacity release offer ("Bidding Period"), shall be as set forth in Subsection 21.11 of these General Terms and Conditions unless otherwise specified in the capacity release offer. The Bidding Period shall be enclosed within the Posting Period.
- (b) Releasing Shipper may withdraw its capacity release offer, by written or electronic notice of withdrawal, up to the close of the applicable Bidding Period where unanticipated circumstances justify such withdrawal and no qualified Bid has been submitted.

21.7 Rights and Obligations of Releasing Shipper

Notwithstanding any release hereunder, Releasing Shipper(s) shall remain responsible for payment of the demand charge associated with the released capacity up to the demand charge specified in the Releasing Shipper's Firm Transportation Agreement with Company. However, Company and Releasing Shipper may agree to a Negotiated Rate under a Firm Transportation Agreement and agree upon payment obligations and crediting mechanisms, in the event of a capacity release, that vary from or are in addition to those set forth herein and in Subsection 21.13(a) of these General Terms and Conditions; provided that nothing in the foregoing provision shall authorize Company or Releasing Shipper to violate the FERC's policy with respect to negotiation of terms and conditions of service.

Any increase in Company's rates, charges, and surcharges shall remain the responsibility of the Releasing Shipper; provided, however, that the Releasing Shipper may provide, in its capacity release offer, for the rates, charges or surcharges for released transportation rights to increase in accordance with any increases in Company's rates, charges and surcharges. If a Releasing Shipper releases firm capacity, then Releasing Shipper's firm capacity rights shall be reduced by an amount equal to the quantity released, in accordance with Subsection 21.2 of these General Terms and Conditions, for the period of the capacity release, except for any period that the firm capacity is recalled by the Releasing Shipper (if permitted in the successful bid) and until such capacity is reput to the Replacement Shipper, in accordance with this Subsection 21.12.

A release for the entire remaining term of the Releasing Shipper's Firm Transportation Agreement shall effect a permanent release or a temporary release. In the event Releasing Shipper designates the capacity release offer as a permanent release, the Replacement Shipper shall be subject to all rights and obligations associated with the released capacity.

If a Releasing Shipper elects a temporary release, all contractual rights and obligations associated with the released capacity remain with the Releasing Shipper at the end of the term of the temporary release.

In accordance with the terms of a permanent release or a temporary release, the Replacement Shipper shall execute a new Firm Transportation Agreement under the applicable rate schedule pursuant to Part 284 of the Commission's regulations.

A Releasing Shipper shall describe fully in its capacity release offer any rights to recall the capacity being released and under what conditions the capacity shall be reput to the Replacement Shipper following any such recall.

A release by a Replacement Shipper shall not relieve the original Releasing Shipper or the Replacement Shipper of their obligations under this Section 21.

21.8 Rights and Obligations of Replacement Shipper

The Replacement Shipper's service under a capacity release shall be subject to and governed by the terms and conditions of the Releasing Shipper's Firm Transportation Agreement, the terms and conditions of the Replacement Shipper's winning bid, and the capacity release offer.

A Replacement Shipper shall be allowed to release the capacity under its Firm Transportation Agreement, provided that the original capacity release offer was not volumetrically based, and contained a provision to allow for the re-release.

The sum of the capacity re-released cannot exceed the awarded capacity to the Replacement Shipper under each individual capacity release offer.

Nominations to a point outside of the released Transportation Path by the Replacement Shipper or within the released Transportation Path by the Releasing Shipper shall be permitted. In the event that the combined quantity nominated by the Releasing Shipper and the Replacement Shipper exceed the Releasing Shipper's original mainline capacity entitlements, Company shall accept nominations for quantities in excess of the original mainline capacity entitlements in the overlapped portion of its system. When an overlap occurs at a point between a Releasing Shipper and its Replacement Shipper, in the circumstance of nominations to the same point, such nominations are allowed as long as the Transportation Quantity is not exceeded. When the Releasing Shipper and the Replacement Shipper each nominate to a secondary point out of their respective Transportation Path causing total nominated quantities to exceed a capacity limitation at a location on Company's

system, Company shall schedule such nominations pursuant to Subsection 3.7 of the General Terms and Conditions.

The Replacement Shipper is entitled to nominate any Receipt Point or Delivery Point on Company's system, consistent with the same conditions applicable to any other firm Customer on Company's system.

21.9 Rights and Obligations of Company

Company makes no representation or warranty to any party concerning the accuracy or completeness of any posted information or concerning the willingness or ability of any Releasing Shipper to release transportation rights hereunder or of any Replacement Shipper to accept transportation rights hereunder. Company shall not be liable to any party for any damages, of any nature whatsoever, including without limitation any special, incidental or consequential damages, or any other kind that may arise in connection with the posting of information hereunder.

Company may refuse to allow a permanent capacity release if it has a reasonable basis to conclude that it will not be financially indifferent to the release. If Releasing Shipper's request to permanently release capacity is denied, Company shall notify Releasing Shipper in writing of the reason for such denial.

Company may invalidate any capacity release offer or any Bid subsequent to its posting on the System that does not conform in all respects to the requirements of Company's Tariff, or any Commission Order or regulation, and such invalidated capacity release offer or Bid shall be deemed null and void.

21.10 Bid and Award Process

(a) Bid Process

The Releasing Shipper shall specify which one of the following methods is acceptable for bidding on a given capacity release Offer: (i) Non-index-based release – dollars and cents, (ii) Non-index based release – percentage of Maximum Rate or (iii) Index-based formula as detailed in the capacity release offer. The Bids for the given capacity release Offer shall adhere to the method specified by the Releasing Shipper. [5.3.26]

Bidders may submit Bids during the Bidding Period applicable to a capacity release offer. All Bids must be submitted via the System. All contingencies must be identified on the Bid or capacity release offer.

In submitting a Bid, Bidders recognize that such Bids will be accessible by other Bidders through the System. Upon submission, all Bids will be assigned a Bid number and the identity of the Bidder will not be revealed during the Bidding Period.

For releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release, bids shall not exceed the applicable Maximum Rate for the applicable firm transportation service being released as set forth on the currently effective Summary of Rates and Charges. The Maximum Rate shall not apply to Capacity Releases for a period of one year or less if the release is to take effect on or before one year from the date on which the Releasing Shipper notifies the Company of the release. For all releases, bids shall not be less than the applicable minimum rate set forth in the capacity release offer.

The quantity specified in a Bid may not exceed the maximum quantity or be less than the minimum quantity specified in a capacity release offer.

The release term specified in a Bid must meet the term specifications in the capacity release offer.

Bidding will be an iterative process such that a Bidder may submit any number of Bids during the Bidding Period; provided that each new submission of a Bid requires the withdrawal of any previous Bid submitted by Bidder such that a Bidder cannot have more than one Bid in contention for the same capacity at one time. If a Bidder withdraws its Bid and resubmits a new Bid, such new Bid must be at a higher rate. A Bidder retains the right to withdraw its Bid by resubmitting a new Bid, until the close of the Bidding Period, at which time, such Bid shall become binding.

Bids must contain information consistent with the currently effective FERC adopted NAESB standards.

(b) Awarding of Capacity to a Successful Bidder

The determination of the successful Bidder shall be effected in accordance with the following procedures:

(i) Bid Evaluation Methodologies

The Releasing Shipper shall specify in the capacity release offer one of the following Bid evaluation methodologies: (1) highest rate, (2) net revenue, or (3) present value. A capacity release offer submitted specifying one of these methods shall be accorded the timeline treatment described in Subsection 21.11. However, the Releasing Shipper may choose another Bid evaluation method and this request also shall be accorded the timeline treatment described in Subsection 21.11 of these General Terms and Conditions. Company shall apply the method chosen to determine the successful Bidders as mandated thereby, provided that the capacity released to each successful Bidder shall be no less than one Dekatherm. If the Releasing Shipper desires to award more than one winner, the Releasing Shipper should allow for the acceptance of partial quantity Bids.

(ii) If the present value method is chosen, then Company shall evaluate the Bids and award the capacity based on the following procedures:

Company shall determine the Bid or Bids having the highest present value ("PV") based on the following formula:

$$PV = (\text{Bid Rate}) \times (\text{Bid MDQ}) \times \frac{1 - (1+i)^{-N}}{i}$$

where

Bid Rate = for firm releases, the demand charge that the Bidder has agreed to pay; for interruptible releases, the usage charge that the Bidder has agreed to pay.

Bid MDQ = the MDQ stated in the Bid.

i = interest rate per month (which shall be the then current maximum yield on five-year U.S. Government Treasury note divided by 12), and

N = term proposed by the Bidder.

- (iii) If the net revenue method is chosen, Company shall determine the Bid or Bids having the highest net revenue (NR) using the following formula:

$$NR = (\text{Bid Rate}) \times (\text{Bid Term}) \times (\text{Bid TQ})$$

where

Bid Rate = the daily charge which the Bidder has agreed to pay; for demand rate Bids, the charge is calculated by dividing the Bid rate received from the Bidder by 30.4 days per month (average days per month in a 365-day year).

Bid Term = the term proposed by the Bidder, in days.

Bid TQ = the TQ stated in the Bid, measured in Dekatherms.

- (iv) If a capacity release offer includes a Non-Exempt Prearranged Bidder, then the released transportation rights shall be awarded to the Non-Exempt Prearranged Bidder if (a) its Bid has a value determined in accordance with Subsection 21.6(a) equal to or higher than the highest value of the Bids submitted by all other Bidders, or (b) the Non-Exempt Prearranged Bidder agrees to match any Bid having a higher value, as applicable, within the time period provided by Subsection 21.11.
- (v) If only one Bidder has submitted a Bid that reflects the highest value, then the transportation rights shall be awarded to that Bidder, subject to any Non-Exempt Prearranged Bidder's exercise of its right of first refusal (matching) as set forth above.
- (vi) If two or more Bidders have submitted Bids that reflect the highest value, then subject to any Non-Exempt Prearranged Bidder's exercise of its right of matching, the released transportation rights will be awarded ~~on the basis of a lottery that is limited to such Bidder~~ to the Bid submitted and received earliest by Company's Customer Activities site, unless, in accordance with Subsection 21.2, the Releasing Shipper has specified an alternative means for awarding the released capacity as between two or more equal Bids ("alternative tiebreaker"). ~~The winner of the lottery or alternative tiebreaker shall be awarded the transportation rights for which it has submitted a Bid. Company will conduct the lottery or alternative tiebreaker in a non-discriminatory manner.~~
- (vii) When the Company makes awards of capacity for which there have been multiple Bids meeting minimum conditions, the Company shall award the Bids, best Bid first, until all offered capacity is awarded. [5.3.4]
- (viii) Company shall not award capacity release offers to Replacement Shipper until and unless Replacement Shipper meets Company's creditworthiness requirements applicable to all services that it receives from Company, including the service represented by the capacity release. [5.3.59]

(~~viii~~ix) For informational purposes only, Company shall post on its Informational Postings web site the identity of the winning Bidder, the terms of the successful Bid, and the Replacement Shipper's contract number.

21.11 Standard Capacity Release Timeline

The standard capacity release administrative timeline is as follows (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17) [5.3.2]:

- (a) For biddable releases (1 year or less):
 - (i) Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
 - (ii) Open season ends at 10:00 a.m. on the same day or a subsequent Business Day.
 - (iii) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
 - (iv) If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.
 - (v) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.
 - (vi) The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
 - (vii) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
- (b) For biddable releases (more than 1 year):
 - (i) Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
 - (ii) Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
 - (iii) Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
 - (iv) If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.
 - (v) Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.
 - (vi) The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
 - (vii) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.
- (c) For non-biddable releases:
 - (i) The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:
 - Timely Cycle 12:00 Noon
 - Evening Cycle 5:00 p.m.
 - Intraday 1 Cycle 9:00 a.m.
 - Intraday 2 Cycle 1:30 p.m.
 - Intraday 3 Cycle 6:00 p.m.
 - (ii) The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
 - (iii) Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

(d) Methodologies Supported by Standard Timeline

For the capacity release business process timing model, only the following methodologies are required to be supported by Company and provided to Releasing Shippers as choices from which they may select and, once chosen, shall be used in determining the Awards from the Bid(s) submitted. They are: (i) highest rate, (ii) net revenue and (iii) present value. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. [5.3.3]

(e) Methodologies Not Supported by Standard Timeline

Other choices of bid evaluation methodology (including other Releasing Shipper defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of Company. However, Company is not required to offer other choices or similar timeline treatment for other choices, nor, is Company held to the timeline should the Releasing Shipper elect another method of evaluation. [5.3.3]

(f) The capacity release timeline applies to all parties involved in the capacity release process provided that: (i) all information provided by the parties to the transaction is valid and the Replacement Shipper has been determined to be creditworthy in accordance with Subsection 21.10(b)(vii) of these General Terms and Conditions before the capacity release bid is tendered; (ii) for index-based capacity release transactions, the Releasing Shipper has provided Company with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and (iii) there are no special terms or conditions of the release. Further Company may complete the capacity release process on a different timeline if the Offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by Company). [5.3.1] Nominations by the winning Bidder may be submitted at the earliest available nomination cycle.

21.12 Standard Recall and Reput Notification Periods

Company shall support the following recall notification periods for all released capacity subject to recall rights (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17) [5.3.44]:

(a) Timely Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due.

(b) Early Evening Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due.

(c) Evening Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due.

(d) Intraday 1 Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due.

(e) Intraday 2 Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 12:00 p.m. on the day that Intraday 2 Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 1:00 p.m. on the day that Intraday 2 Nominations are due.

(f) Intraday 3 Recall Notification

- (i) A Releasing Shipper recalling capacity shall provide notice of such recall to Company and the first Replacement Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due.
- (ii) Company shall provide notification of such recall to all affected Replacement Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

(g) Deadline for Reput

The deadline for notifying Company of a reput is 8:00 a.m. to allow for timely nominations to flow on the next Gas Day. [5.3.54]

For recall notification provided to Company prior to the recall notification deadline above (specified in NAESB WGQ Standard No. 5.3.44) and received between 7:00 a.m. and 5:00 p.m., Company shall provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification. [5.3.45]

For recall notification provided to Company after 5:00 p.m. and prior to 7:00 a.m., Company shall provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification. [5.3.45]

The Releasing Shipper shall provide capacity recall notification to its affected Replacement Shipper(s) at the same time it provides notification to Company. The mode of notification shall be mutually agreed between the Releasing Shipper and its Replacement Shipper(s). [5.1.2]

In the event of an intraday capacity recall, Company shall determine the allocation of capacity between the Releasing Shipper and the Replacement Shipper(s) based upon the Elapsed Prorata Capacity (EPC). Variations to the use of EPC may be necessary to reflect the nature of Company's Tariff, services, and/or operational characteristics. [5.3.56]

Company shall support the ability for the Releasing Shipper to specify, as a condition of the release, whether the Releasing Shipper's recall notification must be provided exclusively on a Business Day. [5.3.51]

Company shall support the ability for the Releasing Shipper to specify, as a condition of a capacity release Offer, which recall notification period(s), as provided in NAESB WGQ Standard No. 5.3.44 and detailed in this Subsection, will be available for use by the parties. [5.3.50]

When capacity is recalled, it may not be reput for the same Gas Day. [5.3.53]

The service flexibility available to either the Releasing Shipper or the Replacement Shipper(s) for the subject capacity shall not be less as a result of the recall. [5.1.3]

For the recall notification provided to Company, Company's Tariff shall specify whether the quantity should be expressed in terms of (i) total released capacity entitlements or (ii) adjusted total released capacity entitlements based upon the EPC. The capacity entitlements resulting from the use of either (i) or (ii) should be the same. [5.3.55] The recall notification to Company shall specify the quantity in terms of total released capacity entitlements.

The amount of capacity allocated to the Replacement Shipper(s) shall equal the original released capacity less the recalled capacity that is adjusted based upon the EPC or other Company Tariff specific variations of the EPC in accordance with NAESB WGQ Standard No. 5.3.56. [5.3.58]

21.13 Billing

- (a) Company shall invoice Replacement Shipper in accordance with Section 5 of the General Terms and Conditions based upon the rates, charges and surcharges incorporated into the Firm Transportation Agreement as a result of the release. The demand charges for the Replacement Shipper will include the demand rate at which the firm transportation service is released including all adjustments subject to Subsections 21.14(d) and 21.13(b). For releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release, the commodity charges for the Replacement Shipper will include the Maximum Commodity Rate including all adjustments subject to Subsection 21.14(d). If the Replacement Shipper fails to pay all or any portion of any bill by the due date specified on the invoice, Company shall send an invoice to the Releasing Shipper for all unpaid amounts up to the amount of the Releasing Shipper's demand charge, which the Releasing Shipper shall pay to Company with interest on the unpaid amount, which interest shall be calculated from the date that Company credited the Releasing Shipper for the applicable demand charges in accordance with Subsection 21.13(b). Releasing Shipper shall submit the payment within ten days of receipt of Company's invoice. Releasing Shipper shall be responsible for obtaining reimbursement for any such payment from Replacement Shipper. Failure of either the Replacement Shipper or Releasing Shipper to make timely payment, in accordance with Section 6 of these General Terms and Conditions, shall entitle Company to exercise the remedies available under the applicable service agreements and this Tariff, including suspension of service to the Releasing Shipper and the Replacement Shipper, as well as any other remedies available to Company.

- (b) The Releasing Shipper shall receive a demand credit equaling the demand charges for which Company has invoiced the Replacement Shipper. The demand charges for the purposes of this Section consist of the base demand rate, and all applicable surcharges. For releases made on a volumetric basis, the demand charges shall equal the daily demand rate multiplied by the volumes actually transported by the Replacement Shipper plus all applicable surcharges. A Releasing Shipper paying a discounted rate shall be entitled to receive any revenues from the release of its capacity that exceed the amount of the applicable surcharges. Company shall adjust the Releasing Shipper's demand credit to the extent necessary to implement the demand charge credits set forth in Section 37.5 of these General Terms and Conditions. In no event shall the demand charge credits as set forth in Section 37.5 of the General Terms and Conditions plus any demand credits provided under this Section 21.13 exceed in total, with respect to the Releasing Shipper and Replacement Shipper(s) combined, the total amount invoiced by Company to such Releasing Shipper and Replacement Shipper(s) combined.

21.14 Further Conditions on Release of Transportation Rights

- (a) Persons participating in this release program agree to be bound by and shall comply with the terms and conditions of this Tariff, and all applicable Commission rules, orders and regulations.
- (b) All terms and conditions in all Release Requests must be non-discriminatory, objectively stated, and applicable to all Bidders.
- (c) The minimum term for any release shall be one day and the maximum term shall be the remaining term of the Releasing Shipper's Transportation Service Agreement.
- (d) For releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release, the Bid for a volumetric release shall not exceed the daily demand rate for the released capacity. Such rate for volumetric releases only applies to the demand portion of the rate; the Replacement Shipper will also be liable for all usage charges. The rates for all other releases with a term of more than one year, or for releases with a term of one year or less that will take effect more than one year from the date Releasing Shipper notifies the Company of the release shall be the applicable demand rate and commodity rate, as well as all other applicable rates, charges and surcharges set forth in this Tariff, notwithstanding any discount to such rates, charges or surcharges then in effect for the Releasing Shipper.
- (e) All terms and conditions of all releases must be consistent with the terms and conditions of the Releasing Shipper's Service Agreement and with this Tariff, including the provisions on nominations and scheduling of service and curtailment of service.
- (f) Company shall not be obligated to deliver in excess of the total daily contract quantity of the release as a result of NAESB WGQ Standard No. 5.3.55. [5.3.57]
- (g) Company shall accept nominations, schedule service, afford priority of service and curtail service based on instructions and communications from the Releasing Shipper and the Replacement Shipper that are consistent with one another and with the terms and conditions of Company's Tariff and their respective service agreements. In the event that instructions or nominations from the Releasing Shipper and Replacement Shipper are, in Company's sole opinion, inconsistent or conflicting, Company shall use reasonable efforts to contact the Releasing Shipper and Replacement Shipper to resolve the conflicting communications. In the event Company is unable to resolve the conflict prior to the time that it must take the required action, Company shall comply with the instructions of the Releasing Shipper; provided however that such instructions must not be inconsistent with Company's Tariff or

the terms of either the Releasing Shipper's or Replacement Shipper's service agreement, in Company's sole opinion. The Releasing Shipper will indemnify Company against any claim or suit by the Replacement Shipper, its successors or assigns, arising from any action taken by Company in reliance upon the Releasing Shipper's nominations and instructions and will hold Company harmless for any action taken by Company in reliance upon the nominations and scheduling instructions of the Replacement Shipper. The Replacement Shipper will indemnify Company against any claim or suit by the Releasing Shipper, its successors or assigns, arising from any action taken by Company in reliance upon the nominations and scheduling instructions of the Replacement Shipper and will hold Company harmless for any actions taken by Company in reliance upon the instructions of the Releasing Shipper.

- (h) Except as provided in Subsection 21.14(i), in the event that the Commission orders refunds of any rates charged by Company, Company shall provide refunds to applicable Releasing Shipper(s), including Replacement Shippers who acquired capacity under a permanent release, to the extent such Replacement Shippers have paid a rate in excess of Company's applicable Maximum Demand Rates. Releasing Shipper shall bear the responsibility for providing any refunds to the appropriate Replacement Shipper(s) who acquired capacity under a temporary release.
- (i) For releases not subject to the Maximum Rate, i.e., with a term of one year or less and the release is to take effect on or before one year from the date on which the Releasing Shipper notifies the Company of the release, the rate paid by the Replacement Shipper will be deemed to be a final rate and is not subject to refund.

21.15 Marketing of Capacity Release

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

21.16 Request to Purchase Releasable Capacity

Under this Section 21, Company shall provide the ability for a potential Replacement Shipper to communicate to potential Releasing Shippers, through the Company, a request to purchase capacity that is releasable. Such request shall be provided to Company electronically and shall include, at a minimum, the following types of information: contact information, quantity(ies) requested, date range, location information, other terms and conditions specified by the potential Replacement Shipper, and any additional information as required by Company. Company shall post on its Informational Postings Web site under the Notices category, pursuant to NAESB WGQ Standard No. 4.3.23, instructions on how a request shall be electronically provided to Company. [5.3.73]

Company shall post such request on its Informational Postings Web site as a Notice identified by a NAESB-defined Notice Type that indicates that it is a request to purchase capacity through the capacity release process and such Notice shall be provided pursuant to NAESB WGQ Standard No. 5.4.16. [5.3.73] Company shall post such request for the period requested by the potential Replacement Shipper.

23. ALLOCATION AND CREDITING OF PENALTIES

23.1 Amounts Invoiced for OFO and PAL Penalties

All amounts invoiced by Company as payment of OFO and PAL penalties, net of incremental administration charges, shall be credited to Eligible Customers in the month such penalties are invoiced.

For a given month, Eligible Customers are Customers who did not incur an OFO and/or PAL penalty. An Eligible Customers shall receive a pro rata allocation of the net amount invoiced based on such Customer's Scheduled Quantities during such month. The resulting allocation will be disbursed monthly to the Eligible Customers as a credit on their invoice.

Company shall post on its Informational Postings web site each month the amount invoiced for non-LMS penalties.

A non-LMS infraction within a given month will not exclude a Customer from being an Eligible Customers for any other month.

23.2 Amounts Invoiced for Daily Imbalance Penalties

All amounts invoiced by Company as payment of Daily Imbalance Charge penalties, net of incremental administration charges, shall be credited to Eligible LMS Parties for the month invoiced.

For a given day, Eligible LMS Parties are Parties who have executed an LMS-~~MA or LMS-PA~~ agreements with Company who did not incur a Rate Schedule LMS related penalty. An Eligible LMS Party shall receive a pro rata allocation of the net amount of penalty invoiced for a day based on such Eligible LMS Party's total Scheduled Quantities for the day the penalties are incurred. The resulting daily allocation will be aggregated and disbursed on a monthly basis to the Eligible LMS Parties as a credit on their invoice.

Company shall post on its Informational Postings web site each month the amount of penalties invoiced for the Daily Imbalance Charge and the amount credited to each Eligible LMS Party.

An LMS infraction on a given day will not exclude an Eligible LMS Party from being an Eligible LMS Party for any other day within such calendar month.

24. AGENCY

A Customer may delegate to a third party (Agent), authority to exercise certain or all rights and perform certain or all obligations set forth in one or more agreements entered into between Customer and Company ("Delegated Agreements"). A Customer may delegate to Agent, the specific rights and obligations set forth above pursuant to the terms and conditions of the Agency Authorization Agreement and the terms and conditions of the underlying Delegated Agreements. A Customer may not delegate to more than one Agent the same rights and/or obligations for a Delegated Agreement(s) pursuant to the terms and conditions of the Agency Authorization Agreement.

Company, Customer and Agent must enter into an Agency Authorization Agreement provided on Company's web site (~~www.oneok.com/mgt~~www.dtmidstream.com/company/customers) under ~~Customer Activities~~[Informational Postings and then under Forms](#). Such Agency Authorization Agreement must be submitted to Company at least two Business Days prior to the requested effective date. Agent shall have all rights and obligations under the Delegated Agreements as set forth in the Agency Authorization Agreement. Customer's delegation to its Agent(s) pursuant to this Section 24 shall not confer to either Customer or Agent(s) rights outside of or in contravention of the terms and conditions of the Delegated Agreements.

Company shall rely on communications and actions of Agent for all purposes that are within the authority conveyed by the Agency Authorization Agreement. Such communications with, and actions by, Agent that are within the authority conveyed by the Agency Authorization Agreement shall be deemed communications with or actions by Customer. Customer shall indemnify and hold Company harmless from suits, actions, costs, losses and expenses (including, without limitation, attorney's fees) arising from claims associated with Company's reliance on such communications and actions of Agent. If Agent fails to meet such obligations under the Delegated Agreements, then, without Company being obligated to proceed against such Agent, Customer shall be liable for all obligations under the Delegated Agreements.

A third party may administer and aggregate rights under multiple Delegated Agreements as the Agent for one or more Customer(s); provided however, that such Agent (i) shall separately administer and account for each Delegated Agreement, including without limitation submitting nominations and calculating any imbalances and (ii) shall utilize such Delegated Agreements for the transportation, supply aggregation or balancing of gas for only those Customers that have delegated the rights and obligations under their Delegated Agreements.

29. PERIODIC REPORTS

The following is a list of periodic reports that Company must make pursuant to Commission order (including an order approving tariff submissions) or to a settlement initiated under Parts 154 or 284 of the Commission's regulations:

(a) Cash Out Report

This report reflects the net cash out activity for the prior annual period, which for purposes of the report, begins on the restructuring anniversary of September 1 and must be filed with the Commission at the end of each annual period. For more information, see Company's Rate Schedule LMS-~~MA~~.

(b) OFO Report

This report provides details regarding OFOs if issued during the previous quarter and must be provided to all Customers and Balancing Parties quarterly. For more information, see Section 8 of the General Terms and Conditions of Company's FERC Gas Tariff.

(c) Gas Sales and Purchases Report

This report describes Company's gas purchases and sales for the prior annual period, which for purposes of this report, begins on the restructuring anniversary of September 1 and must be filed with the Commission at the end of each annual period. For more information, see Section 22 of the General Terms and Conditions of Company's FERC Gas Tariff.

30. NORTH AMERICAN ENERGY STANDARDS BOARD WHOLESALE GAS QUADRANT ("NAESB WGQ") STANDARDS

Compliance with 18 CFR, Section 284.12

Company has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 4.0, and the standard revised by Minor Correction MC24002 marked with an asterisk [*], which are required by the Commission in 18 CFR Section 284.12(a). Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards not Incorporated by Reference and their Location in Tariff:

Pursuant to NAESB's Copyright Procedure Regarding Member and Purchaser Self-Executing Waiver as adopted by the NAESB Board of Directors on April 4, 2013, Company may publish in its tariff, compliance filings, in communications with customers or stakeholders in conducting day to day business or in communications with regulatory agencies some or all of the language contained in NAESB standards protected by copyright, provided that Company includes appropriate citations in the submission.

Company has elected to reproduce the following NAESB WGQ standards and selected optional principles subject to NAESB's limited copyright waiver. With respect to each reproduced standard, Company incorporates the following: © 1996 – 2023 NAESB, all rights reserved.

<u>NAESB Standard</u>	<u>Tariff Record</u>	<u>Tariff Provision</u>
Creditworthiness Standards:		
0.3.3	Part 8, Section 25 Requests for Service	25.5.1(b)
0.3.4	Part 8, Section 25 Requests for Service	25.5.2(b)
0.3.5	Part 8, Section 25 Requests for Service	25.5.2(c)
0.3.6	Part 8, Section 25 Requests for Service	25.5.1(c)
0.3.7	Part 8, Section 25 Requests for Service	25.5.1(a); 25.5.2(a)
0.3.8	Part 8, Section 25 Requests for Service	25.5.2(d)
0.3.9	Part 8, Section 25 Requests for Service	25.5.1(d)
0.3.10	Part 8, Section 25 Requests for Service	25.5.3
General Applicable Standards:		
0.3.17	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.11
Nominations Related Standards:		
1.1.10	Part 8, Section 9 Title to Gas	9.3.1
1.1.11	Part 8, Section 9 Title to Gas	9.3.1
1.1.12	Part 8, Section 8 Operational Flow Orders (OFO)	8.2
1.1.16	Part 5, Section 5 Invoicing	5.1
1.1.21	Part 8, Section 9 Title to Gas	9.3.1
1.2.6	Part 8, Section 1 Definitions	Definition: "Operational Flow Order" or "OFO"
1.2.13	Part 8, Section 1 Definitions	Definition: "Title"
1.2.14	Part 8, Section 1 Definitions	Definition: "Title Transfer"

1.2.15	Part 8, Section 1 Definitions	Definition: "Title Transfer Tracking"
1.2.16	Part 8, Section 1 Definitions	Definition: "Title Transfer Tracking Service Provider"
1.2.17	Part 8, Section 1 Definitions	Definition: "Third Party Account Administrator"
1.2.19	Part 8, Section 1 Definitions;	Definition: "Title Transfer
	Part 8, Section 9 Title to Gas	Nomination"; 9.3.2
1.3.1	Part 8, Section 1 Definitions	Definition: "day" or "Gas Day"
1.3.2(i-vi)	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.1(i-vi)
1.3.14	Part 8, Section 1 Definitions	Definition: "Dekatherm"
1.3.16	Part 8, Section 38 Fuel Retention Percentage Adjustment	38.2
1.3.26	Part 8, Section 8 Operational Flow Orders (OFO)	8.5
1.3.51	Part 8, Section 11 Notices	11.4
1.3.64	Part 8, Section 9 Title to Gas	9.3.1
1.3.65	Part 8, Section 9 Title to Gas	9.3.1
1.3.66	Part 8, Section 9 Title to Gas	9.3.3
1.3.67	Part 8, Section 9 Title to Gas	9.3.3
1.3.68	Part 8, Section 9 Title to Gas	9.3.1
1.3.69	Part 8, Section 9 Title to Gas	9.3.3
1.3.71	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.4.3
1.3.72	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.3
1.3.73	Part 8, Section 9 Title to Gas	9.3.3
1.3.74	Part 8, Section 9 Title to Gas	9.3.1
1.3.76	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.3
1.3.77	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.6.3
Flowing Gas Related Standards:		
2.2.2	Part 8, Section 1 Definitions	Definition: "Operational Impact Area"
2.2.3	Part 8, Section 1 Definitions;	Definition: "Netting";
	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.11	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.12	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.13	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.14	Part 8, Section 4 Measuring Equipment	4.6.2
2.3.19	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.4.3
2.3.26	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.4.5
2.3.29	Part 8, Section 36 Operational Balancing Agreement Policy	36.2

2.3.30	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.31	Part 8, Section 6 Payments; Part 8, Section 36 Operational Balancing Agreement Policy	6.4; 36.2
2.3.40	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.41	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.42	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.43	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.44	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.45	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10
2.3.47	Part 8, Section 3 Measurement Reporting and Scheduling of Receipts and Deliveries	3.10

Invoicing Related Standards:

3.2.1	Part 8, Section 1 Definitions	Definition: "Business Day"
3.3.3	Part 8, Section 5 Invoicing	5.4
3.3.4	Part 8, Section 5 Invoicing	5.4
3.3.5	Part 8, Section 5 Invoicing	5.4
3.3.6	Part 8, Section 5 Invoicing	5.4
3.3.7	Part 8, Section 5 Invoicing	5.4
3.3.9	Part 8, Section 5 Invoicing	5.4
3.3.10	Part 8, Section 5 Invoicing	5.4
3.3.11	Part 8, Section 5 Invoicing	5.4
3.3.12	Part 8, Section 5 Invoicing	5.4
3.3.13	Part 8, Section 5 Invoicing	5.4
3.3.14	Part 8, Section 5 Invoicing	5.2
3.3.15	Part 8, Section 6 Payments	6.4
3.3.16	Part 8, Section 6 Payments	6.4
3.3.17	Part 8, Section 6 Payments	6.1
3.3.18	Part 8, Section 6 Payments	6.1
3.3.19	Part 8, Section 6 Payments	6.1
3.3.21	Part 8, Section 6 Payments	6.4

Quadrant Electronic Delivery Mechanism Related Standards:

4.1.40	Part 8, Section 2 Gas Quality and Pressure	2.8.2
4.2.10	Part 8, Section 1 Definitions	Definition: "Customer Activities"
4.3.89	Part 8, Section 2 Gas Quality and Pressure	2.8.1
4.3.90	Part 8, Section 2 Gas Quality and Pressure	2.8.1
4.3.91	Part 8, Section 2 Gas Quality and Pressure	2.8.1
4.3.92	Part 8, Section 2 Gas Quality and Pressure	2.8.1

Capacity Release Related Standards:

5.1.2	Part 8, Section 21 Capacity Release	21.12
5.1.3	Part 8, Section 21 Capacity Release	21.12
5.1.4	Part 8, Section 11 Notices	11.6
5.2.1	Part 8, Section 11 Notices	11.3

5.2.2	Part 8, Section 11 Notices	11.5
5.2.3	Part 8, Section 1 Definitions	Definition: "Elapsed Prorata Capacity" or "EPC"
5.3.1	Part 8, Section 21 Capacity Release	21.11(f)
5.3.2	Part 8, Section 21 Capacity Release	21.11(a) – (c)
5.3.3	Part 8, Section 21 Capacity Release	21.11(d) & (e)
<u>5.3.4</u>	<u>Part 8, Section 21 Capacity Release</u>	<u>21.10(b)</u>
5.3.18	Part 8, Section 11 Notices	11.2
5.3.26	Part 8, Section 21 Capacity Release	21.10(a)
5.3.34	Part 8, Section 11 Notices	11.5
5.3.35	Part 8, Section 11 Notices	11.5
5.3.36	Part 8, Section 11 Notices	11.5
5.3.37	Part 8, Section 11 Notices	11.5
5.3.38	Part 8, Section 11 Notices	11.5
5.3.39	Part 8, Section 11 Notices	11.5
5.3.40	Part 8, Section 11 Notices	11.4
5.3.44	Part 8, Section 21 Capacity Release	21.12(a) – (f)
5.3.45	Part 8, Section 21 Capacity Release	21.12
5.3.49	Part 8, Section 11 Notices	11.6
5.3.50	Part 8, Section 21 Capacity Release	21.12
5.3.51	Part 8, Section 21 Capacity Release	21.12
5.3.52	Part 8, Section 11 Notices	11.6
5.3.53	Part 8, Section 21 Capacity Release	21.12
5.3.54	Part 8, Section 21 Capacity Release	21.12(g)
5.3.55	Part 8, Section 21 Capacity Release	21.12
5.3.56	Part 8, Section 21 Capacity Release	21.12
5.3.57	Part 8, Section 21 Capacity Release	21.14(f)
5.3.58	Part 8, Section 21 Capacity Release	21.12
5.3.59	Part 8, Section 21 Capacity Release	21.10(b)(vii)
5.3.60	Part 8, Section 25 Requests for Service	25.5.1(e)
5.3.73	Part 8, Section 21 Capacity Release	21.16

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:
0.2.5

Standards:
0.3.1, 0.3.2, 0.3.16

Gas/Electric Operational Communications:

Definitions:
0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:
0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:

0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets:

0.4.2, 0.4.3

Location Data Download:

Standards:

0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29

Dataset:

0.4.4

Storage Information:

Dataset:

0.4.1

Nominations Related Standards:

Definitions:

1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.18

Standards:

1.3.3, 1.3.4, 1.3.5, 1.3.6, 1.3.7, 1.3.8, 1.3.9, 1.3.11, 1.3.13, 1.3.15, 1.3.17, 1.3.18, 1.3.19, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.70, 1.3.75, 1.3.79, 1.3.80, 1.3.81, 1.3.82

Datasets:

1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7

Flowing Gas Related Standards:

Definitions:

2.2.1, 2.2.4, 2.2.5

Standards:

2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.9, 2.3.10, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.27, 2.3.28, 2.3.32, 2.3.46, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, 2.3.66

Datasets:

2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.17, 2.4.18

Invoicing Related Standards:

Standards:

3.3.8, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Datasets:

3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:

4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18

Standards:

4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.85, 4.3.86, 4.3.87, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.110

Capacity Release Related Standards:

Definitions:

5.2.4, 5.2.5

Standards:

~~5.3.4~~, 5.3.5, 5.3.7, 5.3.8, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.13, 5.3.14, 5.3.15, 5.3.16, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.24, 5.3.25, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.48, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72

Datasets:

5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 5.4.24, 5.4.25, 5.4.26, 5.4.27

Cybersecurity Related Standards:

Definitions:

12.2.1, 12.2.2, 12.2.3, 12.2.4, 12.2.5, 12.2.6, 12.2.7, 12.2.8, 12.2.9, 12.2.10, 12.2.11, 12.2.12, 12.2.13, 12.2.14, 12.2.15, 12.2.16, 12.2.17, 12.2.18, 12.2.19, 12.2.20, 12.2.21, 12.2.22, 12.2.23, 12.2.24, 12.2.25, 12.2.26, 12.2.27, 12.2.28, 12.2.29, 12.2.30, 12.2.31, 12.2.32, 12.2.33, 12.2.34, 12.2.35, 12.2.36, 12.2.37, 12.2.38, 12.2.39, 12.2.40, 12.2.41

Standards:

12.3.1, 12.3.2, 12.3.3, 12.3.4, 12.3.5, 12.3.6, 12.3.7, 12.3.8, 12.3.9, 12.3.10, 12.3.11, 12.3.12, 12.3.13, 12.3.14, 12.3.15, 12.3.16, 12.3.17, 12.3.18, 12.3.19, 12.3.20, 12.3.21, 12.3.22, 12.3.23, 12.3.24, 12.3.25, 12.3.26, 12.3.27, 12.3.28, 12.3.29, 12.3.30, 12.3.31

34. ELECTRONIC CONTRACT EXECUTION

Electronic contract execution is available to Customers ~~for agreements under Rate Schedule(s) FT-A, FT-B, FT-C, FT-D, PAL, FPAL, and IT~~ provided that such party shall have previously 1) met the requirements of the applicable Rate Schedule and the General Terms and Conditions of this Tariff and 2) ~~electronically agreed to the terms and conditions of Company's Master Electronic Transactions Agreement~~ received electronic contracting rights for Company's Customer Activities site.

~~A Releasing Shipper may contract to release firm capacity in accordance with Section 21 of the General Terms and Conditions of this Tariff electronically and a Designated Replacement Shipper or a Replacement Shipper may contract for firm capacity in accordance with Section 21 of the General Terms and Conditions of this Tariff electronically.~~

36. OPERATIONAL BALANCING AGREEMENT POLICY

36.1 Purpose

The Operational Balancing Agreement (OBA) is intended to govern the treatment of any differences between the actual quantity of gas received/delivered at a point of interconnection with Company's system and the quantity of gas that is scheduled.

Company's OBA shall be based upon the NAESB WGQ Model OBA whenever possible. [6.5.2]

Company considers an OBA to be a predetermined allocation method.

36.2 Policy

It is Company's policy to negotiate and execute, if possible, the Company's applicable form of OBA at all points of interconnection. However, if an OBA does not exist at a point of interconnection, the imbalance charges, cash-outs, or penalties incurred at such point shall be the responsibility of Customer(s) that are out of balance. Company shall enter into an OBA at all pipeline-to-pipeline (interstate and intrastate) interconnects. [2.3.29]

During the term of the settlement approved in Docket No. RP21-525-000, Company is obligated to attempt to enter into and maintain OBAs at all points, including those not covered by pipeline-to-pipeline OBAs.

If it is not possible to utilize Company's form of OBA for an interstate pipeline interconnection, an acceptable OBA for such interconnection must include the following provisions:

- (a) The OBA must be in energy terms with stated bases.
- (b) The OBA parties intend that the quantity actually received/delivered each day at the interconnection will equal the scheduled nominations.
- (c) Any difference between the metered quantity and the scheduled nomination is treated as an OBA imbalance and exists solely between the OBA parties.
- (d) The OBA parties will take the necessary steps to ensure that the cumulative daily OBA imbalance is maintained at or tends towards a zero imbalance. No imbalance penalty shall be imposed when a prior period adjustment applied to the current period causes or increases a current month penalty. [2.3.31]
- (e) The OBA parties will regularly reconcile scheduled nominations during a given production month. A mutually agreed upon scheduled nomination summary must be completed as soon as practical after each production month end.
- (f) The monthly metered flow data for such interconnection will be determined and communicated by the Measurement Party in writing as soon as possible to the other OBA party.
- (g) The OBA parties at such interconnection may temporarily suspend the OBA in accordance with the terms thereof if either party discovers or anticipates extraordinary circumstances, such as significant interruption of transportation service, severe weather, issuance of an Operational Flow Order, or some other event which affects the gas supplies available for delivery at the interconnection.

- (h) A mutually agreeable commencement date, termination date, and cancellation clause.

An operational imbalance at a given point of interconnection is subject to resolution under Rate Schedule LMS-~~MA~~ and Rate Schedule LMS-~~PA~~, if applicable, as set forth in the form of OBA.

36.3 Posting

During the term of the settlement approved in Docket No. RP21-525-000, Company shall post to its Informational Postings web site a notice of any Receipt Point or Delivery Point for which there is not an effective OBA in place.

39. LOAD MANAGEMENT SERVICE COST RECONCILIATION ADJUSTMENT

39.1 General

- (a) This Section of these General Terms and Conditions sets forth the mechanism to reconcile through surcharges or refunds, as appropriate, differences between the cost to Company to maintain its line pack gas and the amounts Company receives or pays for such gas arising out of the purchase and sale of such gas (1) to resolve Balancing Party imbalances as provided for pursuant to Rate Schedule LMS-~~MA and Rate Schedule LMS-PA~~ (2) to resolve imbalances associated with OBAs at pipeline interconnects; and/or (3) as may be otherwise necessary to maintain an appropriate level of line pack for system management purposes.
- (b) The Load Management Service Cost Reconciliation (“LMSCRA”) refund and surcharge pursuant to this Part 39 is applicable to all Customer daily imbalances at a Receipt Point and Delivery Point used under Part 7.31, Rate Schedule LMS-~~MA or Part 7.32, Rate Schedule LMS-PA~~.
- (c)
 - (i) For each Gas Day that a Customer makes use of a Receipt Point or Delivery Point for which there is no effective OBA in place such Customer will be responsible for Customer’s daily imbalances at such point and shall be responsible for any LMSCRA surcharges associated with such imbalances, which charges shall be billed to such Customer’s monthly invoice.
 - (ii) Notwithstanding the foregoing subsection (c)(i), if for any given Gas Day in which a Receipt Point or Delivery Point is not covered by ~~Rate Schedule LMS-MA or Rate Schedule LMS-PA~~ or by an effective OBA and Company’s Informational Postings web site does not provide notice that such point is not covered by an effective OBA prior to the Timely Nomination Cycle for that Gas Day, then any Customers making use of such point shall not be responsible for any LMSCRA refunds or surcharges at such Receipt Point or Delivery Point on that Gas Day.
 - (iii) A Customer shall not be assessed any LMSCRA refund or surcharge associated with a daily imbalance at a Receipt Point or Delivery Point to the extent such imbalance is incurred under a negotiated rate FT-A, FT-B, FT-C, FT-D, and FT-GS Agreement, unless such agreement expressly provides for the application of the LMSCRA refund or surcharge. Where customer has more than one FT-A, FT-B, FT-C, FT-D, and FT-GS Agreement that includes at least one negotiated rate service agreement and all receipts or deliveries under the service agreements are made pursuant to a single LMS-~~MA or LMS-PA~~ rate schedule, then any daily imbalance created under such LMS-~~MA or LMS-PA~~ rate schedule will be treated as attributable to the negotiated rate agreement such that no LMSCRA refund or surcharge will apply to all of such service agreements during the term of any negotiated rate service agreement.
 - (iv) The provisions in this subsection (c) shall apply during the term of the settlement approved in Docket No. RP21-525-000.

39.2 Definitions

Load Management Annual Period - The twelve-month period beginning each November 1.

Load Management Deferred Period - The twelve-month period ending each July 31.

Load Management Deferred Beginning Balance – The balance in Company's account 182.3, \$2,695,161 due to Company as of October 31, 2020 to be amortized over a five-year period beginning November 1, 2021 as a component of the Load Management Service Cost Reconciliation.

Load Management Annual Beginning Balance Amortization – The amortization which is one fifth of the Load Management Deferred Beginning Balance which is annually added to the Load Management Deferred Account balance in 39.3(b) below.

39.3 Load Management Cost Reconciliation

- (a) Company shall refund if the calculated total of the adjusted balance of the Load Management Deferred Account is a credit. Company shall surcharge if the calculated total of the adjusted balance of the Load Management Deferred Account is a debit.
- (b) Company shall add the Load Management Annual Beginning Balance Amortization to the balance of the Load Management Deferred Account and divide such calculated total balance to be surcharged or refunded by the aggregate absolute value in quantities in Dth for which Company provided service under its Rate Schedule LMS-MA and LMS-PA Rate Schedules during the Load Management Deferred Period to calculate the "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund."
- (c) Company shall file the "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund" with the Federal Energy Regulatory Commission at least thirty Gas Days prior to each November 1 that is the beginning of the Load Management Annual Period.
- (d) The "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund" shall be shown on the Statement of Rates of Company's FERC Gas Tariff as an adjustment to Company's Rate Schedule LMS-~~MA and LMS-PA~~ rate.
- (e) The total amount of any such refunds applied during any month under the "Load Management Service Cost Reconciliation Adjustment - Surcharge or Refund" shall be debited to the Load Management Deferred Account and the total amount of any such surcharges collected during any month under the "Load Management Services Cost Reconciliation Adjustment - Surcharge or Refund" shall be credited to the Load Management Deferred Account.
- (f) The Load Management Deferred Account shall be adjusted to reflect carrying charges calculated in accordance with Section 154.501 of the Commission's regulations.

39.4 Termination of the Load Management Cost Reconciliation Adjustment

In the event that the Load Management Cost Reconciliation Adjustment is terminated, the balance remaining in the Load Management Deferred Account as adjusted to reflect carrying charges calculated in accordance with Section 154.501 of the Commission's Regulations, if a debit, shall be billed and, if a credit, shall be refunded to Balancing Parties on the basis of LMS-~~MA and LMS-PA~~ imbalances.

MIDWESTERN GAS TRANSMISSION COMPANY
PARK AND LOAN ("PAL") AGREEMENT
Rate Schedule FPAL or PAL

THIS AGREEMENT (Agreement No. _____) is made and entered into as of _____, 20____, by and between MIDWESTERN GAS TRANSMISSION COMPANY, hereinafter referred to as "Company" and _____, hereinafter referred to as "Customer." Company and Customer shall be collectively referred to as "Parties."

WITNESSETH:

That, in consideration of their respective covenants and agreements herein contained, Company and Customer agree as follows:

ARTICLE 1 - DEFINITIONS

The definitions found in Section 1 of the General Terms and Conditions of Company's FERC Gas Tariff are incorporated herein by reference.

ARTICLE 2 - BASIC RECEIPTS

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Parking Point. Once scheduled by Company, Company shall receive gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 3 - BASIC DELIVERIES

On any day after the Commencement of Service Date on the Exhibit(s) A attached hereto, Customer shall be entitled to nominate a quantity of gas up to Customer's Maximum PAL Quantity set forth in the Exhibit(s) A attached hereto at a Lending Point. Once scheduled by Company, Company shall deliver gas in accordance with the applicable terms and conditions of the applicable Rate Schedule (FPAL or PAL).

ARTICLE 4 - RATES

Rates for service under this Agreement shall be at Company's Maximum Rate plus all applicable surcharges in effect under the applicable Rate Schedule (FPAL or PAL) unless otherwise agreed to by the parties and set forth in the Exhibit(s) A attached hereto.

ARTICLE 5 - PAYMENTS

Customer shall make payments to Company in accordance with the terms and conditions specified on the Exhibit(s) A attached hereto, the applicable Rate Schedule (FPAL or PAL), Section 6 of the General Terms and Conditions, and the other applicable terms and provisions of this Agreement.

ARTICLE 6 - CHANGE IN TARIFF PROVISIONS

Upon notice to Customer, Company shall have the right to file with the Federal Energy Regulatory Commission any changes in the terms of any of its Rate Schedules, General Terms and Conditions or Form of Agreement as Company may deem necessary, and to make such changes effective at such times as Company desires and is possible under applicable law. Customer may protest any filed changes before the Federal Energy Regulatory Commission and exercise any other rights it may have with respect thereto.

ARTICLE 7 - TERM

~~Where no Exhibit(s) A has been executed by Company and attached hereto within five years of the date of execution of this Agreement then this Agreement shall automatically terminate. Where one or more Exhibit(s) A have been executed by Company and attached hereto, then this Agreement shall automatically terminate five years after the latest Termination of Service Date on such Exhibit(s) A. This Agreement shall become effective _____ and shall continue in full force and effect until _____ and month-to-month thereafter. Either party may elect to terminate this Agreement as of the end of said initial term or as of the end of any extended period (Termination Date) by giving thirty (30) days' prior written notice to the other party of such termination to be effective on the Termination Date.~~

Termination of this Agreement shall not relieve Customer of the obligation to pay money due hereunder to Company and shall be in addition to any other remedies that Company may have.

ARTICLE 8 - APPLICABLE LAW AND SUBMISSION TO JURISDICTION

This Agreement and Company's Tariff, and the rights and obligations of Company and Customer thereunder are subject to all relevant and United States lawful statutes, rules, regulations and orders of duly constituted authorities having jurisdiction. Subject to the foregoing, this Agreement shall be governed by and interpreted in accordance with the laws of the State of Oklahoma. For purposes of legal proceedings, this Agreement shall be deemed to have been made in the State of Oklahoma and performed there, and the Courts of that State shall have jurisdiction over all disputes which may arise under this Agreement, provided always that nothing herein contained shall prevent Company from proceeding at its election against Customer in the Courts of any other State, Province or Country.

At the Company's request, the Customer shall irrevocably appoint an agent in Oklahoma to receive, for it and on its behalf, service of process in connection with any judicial proceeding in Oklahoma relating to the Agreement. Such service shall be deemed completed on delivery to such process agent (even if not forwarded to and received by the Customer.) If said agent ceases to act as a process agent within Oklahoma on behalf of Customer, the Customer shall appoint a substitute process agent within Oklahoma and deliver to the Company a copy of the new agent's acceptance of that appointment within 30 days.

ARTICLE 9 - SUCCESSORS

Any person which shall succeed by purchase, amalgamation, merger or consolidation to the properties, substantially as an entirety, of Customer or of Company, as the case may be, and which shall assume all obligations under Customer's Agreement of Customer or Company, as the case may be, shall be entitled to the rights, and shall be subject to the obligations, of its predecessor under Customer's Agreement. Any such successor must obtain any required regulatory approvals to make such assignment or transfer. Either party

to a Customer's Agreement may pledge or charge the same under provisions of any mortgage, deed of trust, indenture, security agreement or similar instrument which it has executed, or, subject to any required regulatory approvals, assign such Agreement to any affiliated Person (which for such purpose shall mean any person which controls, is under common control with or is controlled by such party). Nothing contained in this Article 9 shall, however, operate to release predecessor Customer from its obligation under its Agreement unless Company shall, in its sole discretion, consent in writing to such release and Customer and the successor have obtained any required regulatory approvals. Company shall not release any Customer from its obligations under its Agreement unless: (a) such release is effected pursuant to an assignment of obligations by such Customer, and the assumption thereof by the assignee, and the terms of such assignment and assumption render the obligations being assigned and assumed no more conditional and no less absolute than those at the time provided therein; and (b) such release is not likely to have a substantial adverse effect upon Company. Customer shall, at Company's request, execute such instrument and take such other action as may be desirable to give effect to any such assignment of Company's rights under such Customer's Agreement or to give effect to the right of a Person whom the Company has specified pursuant to Section 6 of the General Terms and Conditions of Company's FERC Gas Tariff as the Person to whom payment of amounts invoiced by Company shall be made; provided, however, the: (a) Customer shall not be required to execute any such instruments or take any such other action the effect of which is to modify the respective rights and obligations of either Customer or Company under this Agreement; and (b) Customer shall be under no obligation at any time to determine the status or amount of any payments which may be due from Company to any Person whom the Company has specified pursuant to said Section 6 as the Person to whom payment of amounts invoiced by Company shall be made.

ARTICLE 10 - OTHER OPERATING PROVISIONS

(This Article to be utilized when necessary to specify other operating provisions.)

ARTICLE 11 - EXHIBIT A OF AGREEMENT, RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS

Customer shall initiate a request for FPAL or PAL service by executing and delivering to Company one or more Exhibit(s) A. Upon execution by Company, Customer's Exhibit(s) A shall be incorporated in and made a part hereof.

Company's Rate Schedules and General Terms and Conditions, which are on file with the Federal Energy Regulatory Commission (FERC) and in effect, and Exhibit(s) A hereto are all applicable to this Agreement and are hereby incorporated by reference and made a part of this Agreement. To the extent a term or condition set forth in this Agreement is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Agreement is inconsistent with the applicable Rate Schedule, the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first set forth above.

MIDWESTERN GAS TRANSMISSION COMPANY

By: _____

Title: _____

(NAME OF CUSTOMER)

By: _____

Title: _____

MIDWESTERN GAS TRANSMISSION COMPANY
EXHIBIT A TO PARK AND LOAN ("PAL") AGREEMENT
Rate Schedule PAL

COMPANY: Midwestern Gas Transmission Company

~~COMPANY'S ADDRESS: ONEOK Plaza~~
~~100 West 5th Street~~
~~Tulsa, Oklahoma 74103~~

CUSTOMER:

~~CUSTOMER'S ADDRESS:~~
~~Address Line 2:~~
~~P.O. Box:~~
~~City:~~ ~~State/Prov:~~ ~~Zip Code:~~

TYPE OF AGREEMENT: (Parking or Lending)

PARK AND LOAN (PAL) SERVICE OPTIONS:

	Check Option	Park/Loan Start Date	Park/Loan End Date	Withdrawal/ Payback Start Date	Withdrawal/ Payback End Date	Maximum PAL Quantity Dekatherms	Daily*** Rate per Dekatherm	Parking Point	Lending Point
1) Customer Nominated Parking/Lending Service (NPL)*	☐						-----	-----	-----
2) Customer Requested Term Parking/Lending Service (RPL)**	☐								
3) Company Offered Parking/Lending Service (OPL)**	☐								
4) Customer Authorized Automatic Parking/ Lending Service (APL)*	☐							-----	-----

Ratable Schedule: (Yes or No)

*Maximum PAL Quantity available on a daily basis during the term of the Exhibit A.

**Maximum PAL Quantity available during the term of the Exhibit A.

***If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of _____, 20____.

Agreement No. _____

~~Dealbook No.~~ _____

MIDWESTERN GAS TRANSMISSION COMPANY
EXHIBIT A TO FIRM PARK AND LOAN ("FPAL") AGREEMENT
Rate Schedule FPAL

COMPANY: Midwestern Gas Transmission Company

~~COMPANY'S ADDRESS:~~ ~~ONEOK Plaza~~
~~100 West 5th Street~~
~~Tulsa, Oklahoma 74103~~

CUSTOMER:

~~CUSTOMER'S ADDRESS:~~ _____
~~Address Line 2:~~ _____
~~P.O. Box:~~ _____
~~City:~~ _____ ~~State/Prov:~~ _____ ~~Zip Code:~~ _____

TYPE OF AGREEMENT: (Parking or Lending)

FIRM PARK AND LOAN (FPAL) SERVICE:

Park/Loan Start Date	Park/Loan End Date	Withdrawal/ Payback Start Date	Withdrawal/ Payback End Date	Maximum PAL* Quantity (Dth)	Daily Demand** Rate per Dekatherm	Commodity Rate per Dekatherm	Parking Point	Lending Point
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Ratable Schedule: (Yes or No)

*Maximum FPAL Quantity available during the term of the Exhibit A.

**If this Exhibit A is at a Negotiated Rate, see description below.

Description of Negotiated Rate:

This Exhibit A is made and entered into as of _____, 20____.

Agreement No. _____

~~Dealbook No.~~ _____

MIDWESTERN GAS TRANSMISSION COMPANY
SUPPLY AGGREGATION SERVICE AGREEMENT
Rate Schedule SA

THIS AGREEMENT (Agreement No. _____) is made and entered into as of _____, 20____, by and between MIDWESTERN GAS TRANSMISSION COMPANY, hereinafter referred to as "Company," and _____, hereinafter referred to as "Aggregator." Company and Aggregator shall collectively be referred to herein as the "Parties."

WITNESSETH:

That, in consideration of their respective covenants and agreements herein contained, Company and Aggregator agree as follows:

ARTICLE 1 - SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof and of Company's Rate Schedule SA, Company agrees to permit Aggregator to aggregate nominated quantities of gas, under any of Company's transportation rate schedules, at a Supply Aggregation Point (SA Point) pursuant to Rate Schedule SA.

ARTICLE 2 - CHARGES FOR SUPPLY AGGREGATION SERVICE

- 2.1 IMBALANCE CHARGES - Commencing upon the date of execution hereof, any charges related to imbalances at the physical point(s) served by the SA Point shall be paid by Aggregator to Company in accordance with Company's Rate Schedules SA, ~~LMS-PA~~ and LMS-~~MA~~ as well as the General Terms and Conditions of Company's FERC Gas Tariff.
- 2.2 CHANGES IN CHARGES - Aggregator agrees that Company shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the charges applicable to service pursuant to Company's Rate Schedule SA, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules or this Agreement. Company agrees that Aggregator may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Company's existing FERC Gas Tariff as may be found necessary to assure Company just and reasonable rates.

ARTICLE 3 - INVOICING AND PAYMENTS

Company shall bill and Aggregator shall pay all charges in accordance with Sections 5 and 6, respectively, of the General Terms and Conditions of Company's Gas Tariff.

ARTICLE 4 - RATE SCHEDULES, GENERAL TERMS AND CONDITIONS
AND EXHIBIT A OF AGREEMENT

Company's Rate Schedules and General Terms and Conditions which are on file with the Federal Energy Regulatory Commission (FERC) and in effect, and Exhibit A hereto are all applicable to this Agreement and

are hereby incorporated by reference, and made part of this Agreement. To the extent a term or condition set forth in this Agreement is inconsistent with the General Terms and Conditions, the General Terms and Conditions shall govern. Furthermore, to the extent a term or condition set forth in this Agreement is inconsistent with the applicable Rate Schedule, then the terms and conditions of the Rate Schedule shall govern unless the relevant provision is inconsistent with General Terms and Conditions.

ARTICLE 5 - REGULATION

This Agreement shall be subject to all applicable lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Company. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.

ARTICLE 6 - TERM

- 6.1 This Agreement shall be effective as of _____ and shall remain in force and effect on a month to month basis thereafter unless this contract is terminated as hereinafter provided. This Agreement may be terminated by either Company or Aggregator upon 30 days prior written notice to the other.
- 6.2 Any portion of this Agreement necessary to resolve imbalances under this Agreement as required by the Rate Schedules SA and, ~~LMS-PA, LMS-MA~~ and the General Terms and Conditions of Midwestern's Gas Tariff shall survive the other parts of the Agreement until such time as such balancing has been accomplished; provided, however, that Company notifies Aggregator of such imbalance no later than twelve months after the termination of this Agreement.
- 6.3 This Agreement will terminate automatically in the event Aggregator fails to pay the entire amount of any bill for service rendered by Company hereunder in accordance with the terms and conditions of Section 6 of the General Terms and Conditions of Company's FERC Tariff.

ARTICLE 7 - NOTICE

Notices shall be provided in accordance with Subsection 11.1 of the General Terms and Conditions of Company's FERC Gas Tariff.

ARTICLE 8 - ASSIGNMENTS

- 8.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated subject to any required regulatory approvals.
- 8.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement, subject to any required regulatory approvals.

ARTICLE 9 - MISCELLANEOUS

- 9.1 The interpretation and performance of this Contract shall be in accordance with and controlled by the laws of the State of Oklahoma, without regard to the doctrines governing choice of law.
- 9.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 9.3 Unless otherwise expressly provided in this Agreement or Company's Gas Tariff, no modification or supplement to the terms and provisions stated in this Agreement shall be or become effective until Aggregator has submitted a request for change and Aggregator has been notified of Company's agreement to such change. Such modifications or supplements shall be set forth on Exhibit A attached to this Agreement.

ARTICLE 10 - OTHER PROVISIONS

(If none so state) _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

MIDWESTERN GAS TRANSMISSION COMPANY

By: _____

Title: _____

(NAME OF AGGREGATOR)

By: _____

Title: _____

MIDWESTERN GAS TRANSMISSION COMPANY
SUPPLY AGGREGATION SERVICE AGREEMENT

EXHIBIT "A"

DATED _____, _____

BETWEEN

MIDWESTERN GAS TRANSMISSION COMPANY

AND

SA Point	Location Code	
_____	_____	
Point(s)	Location Code	Predetermined Ranking(s)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(This Exhibit A supersedes and cancels Exhibit A dated _____ to the Supply
Aggregation Agreement dated _____.)

The effective date of this Exhibit A is _____, 20____.

Agreement No. _____