

### 3. QUALITY

- 3.1 Heat Content. Heat content shall mean the gross heating value per cubic foot of Gas delivered at each Receipt Point and Delivery Point. The Gas at each Receipt Point shall have a heat content not greater than 1075 BTUs per cubic foot or less than 1000 BTUs per cubic foot when determined on a dry basis. The Gas received and delivered shall have a hydrocarbon dew point less than 25 Degrees Fahrenheit at 800 psig. Transporter shall have the right to waive such BTU content limit if Transporter is able to accept such Gas without affecting Transporter's operations. The total heating value per cubic foot of Gas shall be determined at each Receipt Point and at strategic location(s) determined by Transporter to be represented for each Delivery Point by standard methods accepted in the industry for this purpose.

The unit of quantity for the purpose of determining total heating value shall be one (1) cubic foot of anhydrous Gas at a temperature of sixty (60) degrees Fahrenheit and an absolute pressure of 14.73 psia.

- 3.2 Freedom from Objectionable Matter. The Gas received and delivered hereunder:

- (a) shall be commercially free from dust or other solid or liquid matter which might interfere with its merchantability or cause injury to or interference with proper operation of the lines, regulators, meters and other equipment of Transporter;
- (b) shall not contain more than four (4) parts per million (one quarter grain per one hundred (100) cubic feet of Gas) of hydrogen sulfide, as determined by the method prescribed in the Gas Processors Association Standard 2377, entitled "Test for Hydrogen Sulfide and Carbon Dioxide in Natural Gas Using Length of Stain Tubes";
- (c) shall not contain more than ten (10) grains of total sulfur (including the sulfur in any hydrogen sulfide and mercaptans) per one hundred (100) cubic feet of Gas;
- (d) shall not at any time have an oxygen content in excess of 0.25% by volume and the parties hereto shall make every reasonable effort to keep the Gas free of oxygen;
- (e) shall not contain as nearly as practicable any free water nor contain more than seven (7) pounds of water vapor per million cubic feet of Gas;
- (f) shall not contain more than three percent (3%) by volume of nitrogen and carbon dioxide combined;

- (g) shall be delivered at a temperature not in excess of one hundred twenty (120) degrees Fahrenheit or less than forty (40) degrees Fahrenheit; and
- (h) shall not contain any toxic, hazardous materials or substances, or any deleterious material potentially harmful to persons or to the environment, including but not limited to, polychlorinated biphenyls and substances requiring investigation, remediation or removal under any law, regulation, rule or order in effect from time to time.
- (i) shall not contain more than eighteen one-hundredths (0.18)parts per million by volume (two one-hundredths (0.02)grains per one hundred (100) cubic feet of Gas (by weight) of carbonyl sulfide, as determined by the method prescribed in the American Society for Testing & Materials Standard D-5623, entitled "Standard Test Method for Sulfur Compounds in Light Petroleum Liquids by Gas Chromatography and Sulfur Selective Detection.

- 3.3 Failure to Meet Specifications. Should any Gas tendered for delivery hereunder fail at any time to conform to any of the specifications of this Section 3 ("Non-Conforming Gas"), the Transporter shall notify the party tendering such Gas of any such failure and Transporter may at its option suspend all or a portion of the receipt of any such Non-Conforming Gas, and shall be relieved of obligations hereunder for the duration of such time as the Non-Conforming Gas does not meet such specifications. Nothing in this Section 3 shall prevent Transporter from waiving any quality specifications where the acceptance of Non-Conforming Gas will not in the reasonable judgement of Transporter adversely impair its operation. The exclusive remedy of the affected party shall be liquidated damages not to exceed the greater of (a) ten dollars (\$10.00), or (b) two times the Spot Price Index (as defined in Section 8.7 of these General Terms and Conditions), for each Dekatherm of such Non-Conforming Gas.
- 3.4 The design and construction of any facilities to be installed by Shipper in order to comply with the quality specifications in Sections 3.1 and 3.2 shall be approved by Transporter prior to such facilities being placed in service, such approval not to be unreasonably withheld.
- 3.5 Commingling. It is recognized that Gas delivered by Shipper will be commingled with other Gas transported hereunder by Transporter. Accordingly, the Gas of Shipper shall be subject to such changes in heat content as may result from such commingling and Transporter shall, notwithstanding any other provision herein, be under no obligation to redeliver for Shipper's account, Gas of a heat content identical to that caused to be delivered by Shipper to Transporter.