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   6.1 [Reserved for Future Use]
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FERC GAS TARIFF

SIXTH REVISED VOLUME NO. 1

(Supersedes Algonquin Gas Transmission, LLC
Fifth Revised Volume No. 1)

OF

ALGONQUIN GAS TRANSMISSION, LLC

FILED WITH

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning This Tariff Should
Be Directed To:

Christopher Harvey, Director, Regulatory
Algonquin Gas Transmission, LLC
5400 Westheimer Court
Houston, Texas  77056-5310
Telephone:  (713) 627-5113
Facsimile:  (713) 627-5947
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Algonquin Gas Transmission, LLC (referred to in this tariff as "Algonquin") is a corporation engaged in the business of transporting natural gas in interstate commerce under authorization granted by, and subject to the jurisdiction of, the Federal Energy Regulatory Commission, and its predecessor agency, the Federal Power Commission ("Commission" or "FERC"). Algonquin owns and operates a pipeline system in the states of New Jersey, New York, Connecticut, Rhode Island, and Massachusetts.

It is the policy of Algonquin to provide transportation service only under written contract acceptable to Algonquin after consideration of its commitments to others, delivery capacity and other factors deemed pertinent by Algonquin. If any such contract is to become operative only upon performance of certain precedent conditions, it is the policy of Algonquin to execute a separate written agreement covering the conditions to be satisfied before the contract for the service becomes operative.

This FERC Gas Tariff is filed in compliance with Part 154 of the Commission's Regulations under the Natural Gas Act. Nothing in this tariff is intended to inhibit the formation or use of market centers on Algonquin's system, or to inhibit the development of, or discriminate against the use of, Title Transfer Tracking or Imbalance Management Services provided by third parties or Algonquin's Customers. Any party interested in providing Title Transfer Tracking or Imbalance Management Services must coordinate with Algonquin.
MAP OF SYSTEM

The System Map may be displayed and downloaded at the Internet Web site below.

https://linkwc.enbridge.com/SystemMaps/AgtSystemMap.pdf
**STATEMENTS OF RATES SHOWING EFFECTIVE RATES**

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9. AIT-2 Interruptible Transportation Service
10. PAL Park and Loan Service
11. TTT Title Transfer Tracking Service
12. Fuel Reimbursement Percentage
13. [Reserved for Future Use]
# Rate Schedule AFT-1
## Firm Transportation Service

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<th>Maximum Reservation Charge:</th>
<th>Base--------$/Dth -------</th>
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| Minimum Reservation Charge: | $0.0000 | $0.0000 |

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| Minimum Commodity Charge: | $0.0042 |         |

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| Minimum Reservation Charge Adjustment: | $0.0000 | $0.0000 |

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| Minimum Authorized Overrun Commodity Charge: | $0.0042 |         |

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.
2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.
## Rate Schedule AFT-1
### Incremental Capacity Charges
#### Firm Transportation Service

1. Docket No. CP01-5 (HubLine Mainline):

   HUBLINE CHARGE APPLICABLE TO CUSTOMERS CONTRACTED FOR TRANSPORTATION CHARGES PATH AND/OR UTILIZING PRIMARY RECEIPT AND/OR DELIVERY POINTS FROM BEVERLY TO WEYMOUTH:

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   HUBLINE SURCHARGE APPLICABLE TO ALL CUSTOMERS UTILIZING SECONDARY RECEIPT POINTS BETWEEN AND INCLUDING BEVERLY AND WEYMOUTH AND/OR UTILIZING SECONDARY DELIVERY POINTS BETWEEN BEVERLY AND WEYMOUTH, INCLUDING BEVERLY AND EXCLUDING WEYMOUTH, AND IN ADDITION TO OTHER APPLICABLE CHARGES:

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2. Docket No. CP06-76 (Ramapo Project):

   APPLICABLE TO CUSTOMERS CONTRACTED FOR TRANSPORTATION SERVICE CHARGES ON FACILITIES CONSTRUCTED UNDER THE RAMAPO PROJECT:

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3. Docket No. CP14-96 (AIM Project):

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Issued on: September 1, 2020
Effective on: June 1, 2020
4. Docket No. CP16-9 (Atlantic Bridge Project):

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1/ The Reservation Charge is the effective rate on file with the Commission excluding adjustments approved by the Commission.

2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.

3/ HubLine surcharges applicable to both the Commodity and Authorized OVERRUN Charges.
### Rate Schedule AFT-1
Firm Transportation Service
Capacity Release

| Maximum Reservation Charge: |
| --- | --- | --- |
| Rate 1/ Rate | Base | Total |
| AFT-1 | $8.5927 | $0.2825 | $0.2825 |
| AFT-1 (PSS-T) | $8.5626 | $0.2815 | $0.2815 |
| AFT-1 (AFT-3) | $8.7363 | $0.2872 | $0.2872 |

| Minimum Reservation Charge: |
| --- | --- | --- |
| Rate 1/ Rate | Base | Total |
| AFT-1 | $0.0000 | $0.0000 | $0.0000 |

### Rate Schedule AFT-1S Capacity Release

| Maximum Reservation Charge: |
| --- | --- | --- |
| Rate 1/ Rate | Base | Total |
| AFT-1 | $3.4371 | $0.1130 | $0.1130 |

| Minimum Reservation Charge |
| --- | --- |
| Rate 1/ | $0.0000 |

**Commodity Charge:**
- **AFT-1 Maximum:** $0.2867
- **AFT-1 Minimum:** $0.0042

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ The volumetric reservation charges are applicable to capacity releases where Releasing Customer's Notice provides for bids on a volumetric basis, and are exclusive of surcharges and commodity.

3/ Reservation charges and commodity charges applicable to capacity released under Rate Schedule AFT-1S and acquired under Rate Schedule AFT-1.

4/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.
## Rate Schedule AFT-E
### No-Notice Firm Transportation Service

<table>
<thead>
<tr>
<th>Description</th>
<th>Base $/Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reservation Charge:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$8.5927</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Commodity Charge:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$0.0042</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0042</td>
</tr>
<tr>
<td>Reservation Charge Adjustment:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$0.2825</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun</td>
<td></td>
</tr>
<tr>
<td>Commodity Charge:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$0.2867</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0042</td>
</tr>
</tbody>
</table>

HUBLINE SURCHARGE APPLICABLE TO ALL CUSTOMERS UTILIZING SECONDARY RECEIPT POINTS BETWEEN AND INCLUDING BEVERLY AND WEYMOUTH AND/OR UTILIZING SECONDARY DELIVERY POINTS BETWEEN BEVERLY AND WEYMOUTH, INCLUDING BEVERLY AND EXCLUDING WEYMOUTH, AND IN ADDITION TO OTHER APPLICABLE CHARGES:

<table>
<thead>
<tr>
<th>Description</th>
<th>Base $/Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity Charge:</td>
<td>$0.0267</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.

3/ HubLine surcharges applicable to both the Commodity and Authorized Overrun Charges.
## Rate Schedule AFT-E
### No-Notice Firm Transportation Service
#### Capacity Release

<table>
<thead>
<tr>
<th>Reservation Charge Adjustment/</th>
<th>Volumetric Reservation Charge-2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base $/Dth</td>
<td>Base $/Dth</td>
</tr>
<tr>
<td>Rate</td>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>(a)</th>
<th>(b)</th>
<th>(c)=(b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$8.5927</td>
<td>$0.2825</td>
<td>$0.2825</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
<td>$0.0000</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

**Rate Schedule AFT-ES Capacity Release**

<table>
<thead>
<tr>
<th>Reservation Charge Adjustment/</th>
<th>Volumetric Reservation Charge-2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base $/Dth</td>
<td>Rate $/Dth</td>
</tr>
<tr>
<td>Rate</td>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>(a)</th>
<th>(b)</th>
<th>(c)=(b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$3.4371</td>
<td>$0.1130</td>
<td>$0.1130</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
<td>$0.0000</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

**Commodity Charge:**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$0.2867</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0042</td>
</tr>
</tbody>
</table>

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2/ The volumetric reservation charges are applicable to capacity releases where Releasing Customer's Notice provides for bids on a volumetric basis, and are exclusive of surcharges and commodity.

3/ Reservation charges and commodity charges applicable to capacity released under Rate Schedule AFT-1S and acquired under Rate Schedule AFT-1.

4/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.
### Rate Schedule AFT-1S

**Small Customer Firm Transportation Service**

<table>
<thead>
<tr>
<th>Reservation Charge:</th>
<th>Rate 1/2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$3.4371</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodity Charge:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reservation Charge Adjustment:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorized Overrun Commodity Charge:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

**HUBLINE SURCHARGE APPLICABLE TO ALL CUSTOMERS UTILIZING SECONDARY RECEIPT POINTS BETWEEN AND INCLUDING BEVERLY AND WEYMOUTH AND/OR UTILIZING SECONDARY DELIVERY POINTS BETWEEN BEVERLY AND WEYMOUTH, INCLUDING BEVERLY AND EXCLUDING WEYMOUTH, AND IN ADDITION TO OTHER APPLICABLE CHARGES:**

<table>
<thead>
<tr>
<th>Commodity Charge: 3/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

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2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.

3/ HubLine surcharges applicable to both the Commodity and Authorized Overrun Charges.
<table>
<thead>
<tr>
<th>Reservation Charge:</th>
<th>Base------$/Dth--</th>
<th>$0.1130</th>
<th>$0.1130</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Reservation Charge Adjustment/</td>
<td>Volumetric Reservation Charge-2/</td>
<td></td>
</tr>
<tr>
<td>Rate Schedule AFT-1S</td>
<td>Rate</td>
<td>Base</td>
<td>Total</td>
</tr>
<tr>
<td>Firm Transportation Service Capacity Release</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate (a)</td>
<td>(b)</td>
<td>(c)=(b)</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$3.4371</td>
<td>$0.1130</td>
<td>$0.1130</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
<td>$0.0000</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

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2/ The Volumetric reservation charges are applicable to capacity releases where Releasing Customer's Notice provides for bids on a volumetric basis, and are exclusive of surcharges and commodity.
### Rate Schedule AFT-ES
**Small Customer**
**No-Notice Firm Transportation Service**

<table>
<thead>
<tr>
<th>Reservation Charge:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$3.4371</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodity Charge:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reservation Charge Adjustment</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$0.1130</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorized Overrun Commodity Charge:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

**HubLine Surcharge Applicable to All Customers Utilizing Secondary Receipt Points Between and Including Beverly and Weymouth and/or Utilizing Secondary Delivery Points Between Beverly and Weymouth, Including Beverly and Excluding Weymouth, and In Addition to Other Applicable Charges:**

<table>
<thead>
<tr>
<th>Commodity Charge: 3/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

---

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3/ HubLine surcharges applicable to both the Commodity and Authorized Overrun Charges.
**Rate Schedule AFT-ES**  
*Small Customer*  
*No-Notice Firm Transportation Service*  
*Capacity Release*

<table>
<thead>
<tr>
<th>Reservation Charge Adjustment/</th>
<th>Base——$/Dth——</th>
<th>Volumetric Reservation Charge/3/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tariff</td>
<td>Base</td>
<td>Total</td>
</tr>
<tr>
<td>Rate 1/ 2/</td>
<td>Rate</td>
<td>Rate (c)=(b)</td>
</tr>
<tr>
<td>Reservation Charge:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$3.4371</td>
<td>$0.1130</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

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### Rate Schedule T-1
Transportation Service (New York and New Jersey)

<table>
<thead>
<tr>
<th>Component</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base $/Dth Tariff</td>
<td></td>
</tr>
<tr>
<td>Rate 1/2</td>
<td></td>
</tr>
<tr>
<td>Reservation Charge</td>
<td>$1.6687</td>
</tr>
<tr>
<td>Commodity Charge</td>
<td>$0.0042</td>
</tr>
<tr>
<td>Reservation Charge</td>
<td></td>
</tr>
<tr>
<td>Adjustment</td>
<td>$0.0549</td>
</tr>
<tr>
<td>Authorized Overrun</td>
<td></td>
</tr>
<tr>
<td>Commodity Charge</td>
<td>$0.0591</td>
</tr>
</tbody>
</table>

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2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.
### Rate Schedule AFT-CL

**Firm Transportation Service**

<table>
<thead>
<tr>
<th>Lateral</th>
<th>Reservation Charge:</th>
<th>Commodity Charge:</th>
<th>Reservation Charge Adjustment</th>
<th>Authorized Overrun Commodity Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CANAL LATERAL</strong></td>
<td>Maximum: $0.5111</td>
<td>Minimum: $0.0000</td>
<td>Maximum: $0.0168</td>
<td>Maximum: $0.0168</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Minimum: $0.0000</td>
<td>Minimum: $0.0000</td>
</tr>
<tr>
<td><strong>MIDDLETOWN LATERAL</strong></td>
<td>Maximum: $0.7872</td>
<td>Minimum: $0.0000</td>
<td>Maximum: $0.0259</td>
<td>Maximum: $0.0259</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Minimum: $0.0000</td>
<td>Minimum: $0.0000</td>
</tr>
<tr>
<td><strong>CLEARY LATERAL</strong></td>
<td>Maximum: $0.3758</td>
<td>Minimum: $0.0000</td>
<td>Maximum: $0.0124</td>
<td>Maximum: $0.0124</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Minimum: $0.0000</td>
<td>Minimum: $0.0000</td>
</tr>
<tr>
<td><strong>LAKE ROAD LATERAL</strong></td>
<td>Maximum: $0.2224</td>
<td>Minimum: $0.0000</td>
<td>Maximum: $0.0073</td>
<td>Maximum: $0.0073</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Minimum: $0.0000</td>
<td>Minimum: $0.0000</td>
</tr>
</tbody>
</table>

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2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions. The ACA Surcharge will only apply if the AFT-CL Customer has not paid an ACA Surcharge for the same gas volumes transported under another rate schedule.
Rate Schedule AFT-CL
Firm Transportation Service

BELLINGHAM LATERAL
Reservation Charge:
Maximum $0.3715
Minimum $0.0000
Commodity Charge:
Maximum $0.0000
Minimum $0.0000
Reservation Charge Adjustment
Maximum $0.0122
Minimum $0.0000
Authorized Overrun Commodity Charge
Maximum $0.0122
Minimum $0.0000

PHELPS DODGE LATERAL
Reservation Charge:
Maximum $0.0000
Minimum $0.0000
Commodity Charge:
Maximum $0.0166
Minimum $0.0000
Reservation Charge Adjustment
Maximum $0.0000
Minimum $0.0000
Authorized Overrun Commodity Charge
Maximum $0.0166
Minimum $0.0000

MANCHESTER STREET LATERAL
Reservation Charge:
Maximum $1.6789
Minimum $0.0000
Commodity Charge:
Maximum $0.0000
Minimum $0.0000
Reservation Charge Adjustment
Maximum $0.0552
Minimum $0.0000
Authorized Overrun Commodity Charge
Maximum $0.0552
Minimum $0.0000

CAPE COD LATERAL
Reservation Charge:
Maximum $3.3204
Minimum $0.0000
Commodity Charge:
Maximum $0.0000
Minimum $0.0000
Reservation Charge Adjustment
Maximum $0.1092
Minimum $0.0000
Authorized Overrun Commodity Charge
Maximum $0.1092
Minimum $0.0000

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## Rate Schedule AFT-CL
### Firm Transportation Service

<table>
<thead>
<tr>
<th>Reservation Charge:</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>J-2 FACILITY</td>
<td>$2.3731</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Reservation Charge:</td>
<td>Maximum</td>
<td>Minimum</td>
</tr>
<tr>
<td>KLEEN ENERGY LATERAL</td>
<td>$0.8035</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Reservation Charge:</td>
<td>Maximum</td>
<td>Minimum</td>
</tr>
<tr>
<td>SALEM LATERAL</td>
<td>$7.3635</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

### NORTHEAST GATEWAY LATERAL

<table>
<thead>
<tr>
<th>Reservation Charge:</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reservation Charge:</td>
<td>$2.4859</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Commodity Charge:</td>
<td>$0.0000</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Reservation Charge Adjustment</td>
<td>$0.0817</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun Commodity Charge</td>
<td>$0.0817</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

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2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions. The ACA Surcharge will only apply if the AFT-CL Customer has not paid an ACA Surcharge for the same gas volumes transported under another rate schedule.

---

Issued on: September 1, 2020
Effective on: June 1, 2020
## Rate Schedule AFT-CL

**Firm Transportation Service**

<table>
<thead>
<tr>
<th></th>
<th>Base $/Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tariff</strong></td>
<td><strong>Rate</strong></td>
</tr>
<tr>
<td><strong>WEST ROXBURY LATERAL</strong></td>
<td></td>
</tr>
<tr>
<td>Reservation Charge:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$15.5204</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Commodity Charge:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Reservation Charge Adjustment:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$0.5103</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun Commodity Charge:</td>
<td></td>
</tr>
<tr>
<td>Maximum</td>
<td>$0.5103</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

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2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions. The ACA Surcharge will only apply if the AFT-CL Customer has not paid an ACA Surcharge for the same gas volumes transported under another rate schedule.
### Rate Schedule AFT-CL
#### Capacity Release

<table>
<thead>
<tr>
<th>Reservation Charge:</th>
<th>Base ---</th>
<th>--Reservation Charge Adjustment/ Volumetric Reservation Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base</td>
<td>Rate</td>
</tr>
<tr>
<td></td>
<td>Rate 1/</td>
<td>2/</td>
</tr>
<tr>
<td></td>
<td>(a)</td>
<td>(b)</td>
</tr>
</tbody>
</table>

#### CANAL LATERAL
- Reservation Charge:
  - Maximum: $0.5111
  - Minimum: $0.0000

#### MIDDLETOWN LATERAL
- Reservation Charge:
  - Maximum: $0.7872
  - Minimum: $0.0000

#### CLEARY LATERAL
- Reservation Charge:
  - Maximum: $0.3758
  - Minimum: $0.0000

#### LAKE ROAD LATERAL
- Reservation Charge:
  - Maximum: $0.2224
  - Minimum: $0.0000

#### BELLINGHAM LATERAL
- Reservation Charge:
  - Maximum: $0.3715
  - Minimum: $0.0000

#### PHELPS DODGE LATERAL
- Reservation Charge:
  - Maximum: $0.0000
  - Minimum: $0.0000

#### MANCHESTER STREET LATERAL
- Reservation Charge:
  - Maximum: $1.6789
  - Minimum: $0.0000

#### CAPE COD LATERAL
- Reservation Charge:
  - Maximum: $3.3204
  - Minimum: $0.0000

#### NORTHEAST GATEWAY LATERAL
- Reservation Charge:
  - Maximum: $2.4859
  - Minimum: $0.0000

---

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2/ The volumetric reservation charges are applicable to capacity releases where Releasing Customer's Notice provides for bids on a volumetric basis, and are exclusive of surcharges and commodity.
## Rate Schedule AFT-CL
### Capacity Release

<table>
<thead>
<tr>
<th></th>
<th>Base ---- $/Dth</th>
<th>Volumetric Reservation Charge-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tariff</td>
<td>Rate</td>
<td>Rate</td>
</tr>
<tr>
<td>Rate 1/</td>
<td>2/</td>
<td>Total</td>
</tr>
<tr>
<td>(a)</td>
<td>(b)</td>
<td>(c)=(b)</td>
</tr>
</tbody>
</table>

**J-2 FACILITY**

Reservation Charge:
- Maximum: $2.3731, $0.0780, $0.0780
- Minimum: $0.0000, $0.0000, $0.0000

**KLEEN ENERGY LATERAL**

Reservation Charge:
- Maximum: $0.8035, $0.0264, $0.0264
- Minimum: $0.0000, $0.0000, $0.0000

**SALEM LATERAL**

Reservation Charge:
- Maximum: $7.3635, $0.2421, $0.2421
- Minimum: $0.0000, $0.0000, $0.0000

**WEST ROXBURY LATERAL**

Reservation Charge:
- Maximum: $15.5204, $0.5103, $0.5103
- Minimum: $0.0000, $0.0000, $0.0000

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ The volumetric reservation charges are applicable to capacity releases where Releasing Customer's Notice provides for bids on a volumetric basis, and are exclusive of surcharges and commodity.
### Rate Schedule AIT-1

**Interruptible Transportation Service**

<table>
<thead>
<tr>
<th>Commodity Charge:</th>
<th>Base $/Dth Tariff Rate 1/ 2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$0.2867</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0042</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorized Overrun</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$0.2867</td>
<td>$0.0042</td>
</tr>
</tbody>
</table>

**HUBLINE SURCHARGE APPLICABLE TO ALL CUSTOMERS UTILIZING RECEIPT POINTS BETWEEN AND INCLUDING BEVERLY AND WEYMOUTH AND/OR UTILIZING DELIVERY POINTS BETWEEN BEVERLY AND WEYMOUTH, INCLUDING BEVERLY AND EXCLUDING WEYMOUTH, AND IN ADDITION TO OTHER APPLICABLE CHARGES:**

<table>
<thead>
<tr>
<th>Commodity Charge:</th>
<th>3/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$0.0267</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

---

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.

3/ HubLine surcharges applicable to both the Commodity and Authorized Overrun Charges.
## Rate Schedule AIT-2
### Interruptible Transportation Service

<table>
<thead>
<tr>
<th>Commodity Charge</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>MANCHESTER STREET LATERAL</td>
<td>$0.0552</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun Commodity Charge</td>
<td>$0.0552</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodity Charge</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANAL LATERAL</td>
<td>$0.0168</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun Commodity Charge</td>
<td>$0.0168</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodity Charge</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAPE COD LATERAL</td>
<td>$0.1092</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun Commodity Charge</td>
<td>$0.1092</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commodity Charge</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORTHEAST GATEWAY LATERAL</td>
<td>$0.0817</td>
<td>$0.0000</td>
</tr>
<tr>
<td>Authorized Overrun Commodity Charge</td>
<td>$0.0817</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions. The ACA Surcharge will only apply if the Customer has not paid an ACA Surcharge for the same gas volumes transported under another rate schedule.
### Rate Schedule AIT-2
#### Interruptible Transportation Service

<table>
<thead>
<tr>
<th>Commodity Charge</th>
<th>Maximum</th>
<th>Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>J-2 FACILITY</td>
<td>$0.0780</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>
| Authorized Overrun
| Maximum          | $0.0780 | $0.0000 |
| KLEEN ENERGY LATERAL | $0.0264 | $0.0000 |
| Authorized Overrun
| Maximum          | $0.0264 | $0.0000 |
| SALEM LATERAL    | $0.2421 | $0.0000 |
| Authorized Overrun
| Maximum          | $0.2421 | $0.0000 |
| WEST ROXBURY LATERAL | $0.5103 | $0.0000 |
| Authorized Overrun
| Maximum          | $0.5103 | $0.0000 |

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions. The ACA Surcharge will only apply if the Customer has not paid an ACA Surcharge for the same gas volumes transported under another rate schedule.
Rate Schedule PAL
Park and Loan Service

<table>
<thead>
<tr>
<th>Base $/Dth Tariff Rate 1/ 2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily PAL Charge:</td>
</tr>
<tr>
<td>Maximum</td>
</tr>
<tr>
<td>Minimum</td>
</tr>
</tbody>
</table>

1/ The Base Tariff Rate is the effective rate on file with the Commission, excluding adjustments approved by the Commission.

2/ Rate excludes the Annual Charge Adjustment (ACA) Surcharge. The ACA Commodity Surcharge to applicable customers, pursuant to Section 34 of the General Terms and Conditions.
## Rate Schedule TTT

### Title Transfer Tracking Service

<table>
<thead>
<tr>
<th>TTT Service Charge:</th>
<th>Base-------$/Transaction -------</th>
<th>Rate 1/ Adjustments</th>
<th>Total Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum</td>
<td>$5.3900</td>
<td>-</td>
<td>$5.3900</td>
</tr>
<tr>
<td>Minimum</td>
<td>$0.0000</td>
<td>-</td>
<td>$0.0000</td>
</tr>
</tbody>
</table>

1/ The Base Tariff is the effective rate on file with the Commission, excluding adjustments approved by the Commission.
**FUEL REIMBURSEMENT PERCENTAGES AND SYSTEM BALANCING SURCHARGE (CREDIT) RATE**

<table>
<thead>
<tr>
<th>Period</th>
<th>Duration</th>
<th>FRP</th>
<th>Surcharge Rate 2/</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYSTEM SERVICES: 1/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Winter</td>
<td>December 1 - March 31</td>
<td>0.97%</td>
<td>$0.0286</td>
</tr>
<tr>
<td>Spring, Summer And Fall</td>
<td>April 1 - November 30</td>
<td>0.93%</td>
<td>$0.0286</td>
</tr>
<tr>
<td>INCREMENTAL RAMAPO SERVICE: 1/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Winter</td>
<td>December 1 - March 31</td>
<td>1.82%</td>
<td>$0.0487</td>
</tr>
<tr>
<td>Spring, Summer And Fall</td>
<td>April 1 - November 30</td>
<td>1.40%</td>
<td>$0.0487</td>
</tr>
<tr>
<td>INCREMENTAL AIM SERVICE: 1/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Winter</td>
<td>December 1 - March 31</td>
<td>3.46%</td>
<td>$0.0536</td>
</tr>
<tr>
<td>Spring, Summer And Fall</td>
<td>April 1 - November 30</td>
<td>2.74%</td>
<td>$0.0536</td>
</tr>
<tr>
<td>INCREMENTAL ATLANTIC BRIDGE SERVICE: 1/</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Winter</td>
<td>December 1 - March 31</td>
<td>5.38%</td>
<td>-$0.0601</td>
</tr>
<tr>
<td>Spring, Summer And Fall</td>
<td>April 1 - November 30</td>
<td>3.75%</td>
<td>-$0.0601</td>
</tr>
</tbody>
</table>

1/ For all receipt points other than Beverly, Meter No. 00215
2/ The Surcharge Rate must be added to the applicable AFT/AIT Commodity Charge in order to illustrate the total adjusted AFT/AIT Commodity Charge.

Fuel Reimbursement Percentages (FRP) pursuant to Section 32 of the General Terms and Conditions of this FERC Gas Tariff.
## FUEL REIMBURSEMENT PERCENTAGES AND SYSTEM BALANCING SURCHARGE (CREDIT) RATE

<table>
<thead>
<tr>
<th>Period</th>
<th>Duration</th>
<th>FRP</th>
<th>Surcharge Rate 1/</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYSTEM SERVICES – BEVERLY RECEIPTS/NON-HUBLINE DELIVERIES:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Winter</td>
<td>December 1 - March 31</td>
<td>0.64%</td>
<td>$0.0200</td>
</tr>
<tr>
<td>Spring, Summer And Fall</td>
<td>April 1 – November 30</td>
<td>0.69%</td>
<td>$0.0200</td>
</tr>
</tbody>
</table>

| INCREMENTAL RAMAPO SERVICE – BEVERLY RECEIPTS/NON-HUBLINE DELIVERIES: |             |       |                  |
| Winter                                | December 1 - March 31   | 1.18% | $0.0341          |
| Spring, Summer And Fall               | April 1 – November 30   | 0.00% | $0.0341          |

| INCREMENTAL AIM SERVICE – BEVERLY RECEIPTS/NON-HUBLINE DELIVERIES: |             |       |                  |
| Winter                                | December 1 - March 31   | 0.10% | $0.0375          |
| Spring, Summer And Fall               | April 1 – November 30   | 0.00% | $0.0375          |

| INCREMENTAL ATLANTIC BRIDGE SERVICE – BEVERLY RECEIPTS/NON-HUBLINE DELIVERIES: |             |       |                  |
| Winter                                | December 1 - March 31   | 4.31% | -$0.0420         |
| Spring, Summer And Fall               | April 1 – November 30   | 0.00% | -$0.0420         |

1/ The Surcharge Rate must be added to the applicable AFT/AIT Commodity Charge in order to illustrate the total adjusted AFT/AIT Commodity Charge.

Fuel Reimbursement Percentages (FRP) pursuant to Section 32 of the General Terms and Conditions of this FERC Gas Tariff.
## RATE SCHEDULES

### INDEX

**Section Description and Title**

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<table>
<thead>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>AFT-1</td>
<td>Firm Transportation Service</td>
</tr>
<tr>
<td>2.</td>
<td>AFT-E</td>
<td>No-Notice Firm Transportation Service</td>
</tr>
<tr>
<td>3.</td>
<td>AFT-1S</td>
<td>Small Customer Firm Transportation Service</td>
</tr>
<tr>
<td>4.</td>
<td>AFT-ES</td>
<td>Small Customer No-Notice Firm Transportation Service</td>
</tr>
<tr>
<td>5.</td>
<td>T-1</td>
<td>Transportation Service (New York and New Jersey)</td>
</tr>
<tr>
<td>6.</td>
<td>[Reserved for Future Use]</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>AFT-CL</td>
<td>Firm Transportation Service</td>
</tr>
<tr>
<td>8.</td>
<td>AIT-1</td>
<td>Interruptible Transportation Service</td>
</tr>
<tr>
<td>9.</td>
<td>AIT-2</td>
<td>Interruptible Transportation Service</td>
</tr>
<tr>
<td>10.</td>
<td>PAL</td>
<td>Park and Loan Service</td>
</tr>
<tr>
<td>11.</td>
<td>TTT</td>
<td>Title Transfer Tracking Service</td>
</tr>
</tbody>
</table>
RATE SCHEDULE AFT-1
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

a. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;

b. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;

c. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and

d. Customer and Algonquin have executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

e. Transportation service effectuated through capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 80047), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R 80095), the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline (M&R No. 80104) are available under this Rate Schedule AFT-1.

f. Under this Rate Schedule AFT-1, a single AFT-1 service agreement is available to multiple parties who meet the qualifications set forth in the Multiple Shipper Option Agreement (“MSOA”) and such agreement has been executed by the Customers, Algonquin and other relevant parties.
2. **APPLICABILITY AND CHARACTER OF SERVICE**

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.6 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any
of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions of this tariff.

2.5 Unless otherwise specified in the applicable service agreement, services hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.

2.6 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ on which Customer’s Reservation Charge during the currently effective term of the service agreement is based, specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's current MDTQ for a given season up to but not in excess of the highest MDTQ on which Customer’s Reservation Charge during the currently effective term of the service agreement is based provided, however, that such additional quantities shall be provided with the same priority for purposes of scheduling accorded to service meeting the criteria of Section 48.3(a)(1) of the General Terms and Conditions of this tariff only to the extent these quantities are requested to be scheduled from a receipt point located within the Base Flow Path to a delivery point located within the Base Flow Path, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-1 of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a
Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-1 Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1 Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable service agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) **Reservation Charge**: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1 Service Agreement; plus

(b) **Commodity Charge**: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) **Authorized Overrun Charge**: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) **Imbalance Resolution Charges**: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **System Balancing Surcharge**: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) **Scheduling Penalties**: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties**: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) **Revenue Credit**: The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit**: The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the...
Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.3 **Monthly Bill for Backhaul Rates.** For Customers executing an AFT-1 Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1 Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) **Reservation Charge:** The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1 Service Agreement; plus

(b) **Commodity Charge:** The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) **Authorized Overrun Charge:** The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) **Imbalance Resolution Charges:** The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **System Balancing Surcharge:** The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties:** The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) **Revenue Credit:** The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit:** The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the
Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.4 **Reservation Charge Adjustment.** The Reservation Charge Adjustment (as set forth in the Statement of Rates for Rate Schedule AFT-1 of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) shall be applied to the Reservation Charge hereunder pursuant to the provisions of Section 50 of the General Terms and Conditions.

4. **NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES**

4.1 **Nominations and Scheduling.** If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 **Delivery of Gas.** Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer’s scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin’s right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 **Commingling of Gas.** From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. **OTHER OPERATING CONDITIONS**

Algonquin’s obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

5.1 **Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin...**
delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.

5.3 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the upstream entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

5.4 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at an hourly rate of 1/24th of the scheduled daily quantity. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at a rate no greater than .06 multiplied by the scheduled daily quantity.

6. POINT(S) OF RECEIPT AND DELIVERY

6.1 Primary Points of Receipt

(A) The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary
Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middleboro Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, Massachusetts, Massachusetts, Massachusetts,
and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Secondary Points of Receipt under this Rate Schedule AFT-1. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

6.3 Primary Points of Delivery:

(A) The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.
6.4 **Secondary Points of Delivery:** Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin's mainline are available as Secondary Points of Delivery under this Rate Schedule AFT-1. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. **GENERAL TERMS AND CONDITIONS**

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
1. AVAILABILITY

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

a. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;

b. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;

c. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and

d. Customer and Algonquin have executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

e. Transportation service effectuated through capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 80047), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline (M&R No. 80104) are available under this Rate Schedule AFT-E.

f. On any Gas Day in which Customer desires firm no-notice transportation service under this Rate Schedule AFT-E, Customer must comply with the operating conditions in Section 5 of this Rate Schedule.
2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-E Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.7 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-E Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any
of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 Firm no-notice transportation service under this Rate Schedule AFT-E is available to any Customer nominating under an AFT-E Service Agreement on any Gas Day in which Customer complies with the conditions specified in Section 5 of this Rate Schedule.

2.5 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions of this tariff.

2.6 Unless otherwise specified in the applicable service agreement, service hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.

2.7 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ on which Customer's Reservation Charge during the currently effective term of the service agreement is based, specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's current MDTQ for a given season up to but not in excess of the highest MDTQ on which Customer's Reservation Charge during the currently effective term of the service agreement is based; provided, however, that such additional quantities shall be provided with the same priority for purposes of scheduling accorded to service meeting the criteria of Section 48.3(a)(1) of the General Terms and Conditions of this tariff only to the extent these quantities are requested to be scheduled from a receipt point located within the Base Flow Path to a delivery point located within the Base Flow Path, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-E of this tariff and
are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-E Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-E Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable service agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) **Reservation Charge**: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-E Service Agreement; plus

(b) **Commodity Charge**: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) **Authorized Overrun Charge**: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) **Imbalance Resolution Charges**: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **System Balancing Surcharge**: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) **Scheduling Penalties**: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties**: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
(h) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) System Balancing Credit: The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AFT-E Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-E Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-E Service Agreement; plus

(b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) System Balancing Surcharge: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less
(h) **Revenue Credit:** The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit:** The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.4 Reservation Charge Adjustment. The Reservation Charge Adjustment (as set forth in the Statement of Rates for Rate Schedule AFT-E of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) shall be applied to the Reservation Charge hereunder pursuant to the provisions of Section 50 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Gas Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff, or Section 5.1 of this Rate Schedule AFT-E, as applicable. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities. On any Gas Day in which Customer nominates quantities under this Rate Schedule AFT-E, Customer’s no-notice service under this Rate Schedule AFT-E shall be limited to the scheduled quantity under its Upstream Arrangements as defined in Section 5.1 of this Rate Schedule AFT-E. Any quantities nominated by Customer under this Rate Schedule AFT-E that are in excess of scheduled quantities under its Upstream Arrangements shall be scheduled the same as nominated quantities under Rate Schedule AFT-1 of this FERC Gas Tariff.

4.2 Delivery of Gas. Based upon the daily quantity scheduled and in accordance with Section 5 herein, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions of this tariff.
Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 No-Notice Service. Notwithstanding the quantities nominated by Customer and scheduled by Algonquin hereunder, Customer shall be entitled to increase its deliveries up to the MDDO at any Primary Point(s) of Delivery, up to the MHTQ during any Hour, and up to the MDTQ, or to decrease its deliveries. Provided that all of the operational conditions specified in Section 5 of this rate schedule (the "Section 5 Conditions") are met, Algonquin shall consent to such increase or decrease in deliveries, thereby nullifying any daily scheduling or hourly scheduling penalty that would otherwise be applicable pursuant to Section 23 of the General Terms and Conditions. Furthermore, if the Section 5 Conditions are met, Algonquin will forbear from taking action pursuant to Section 26 of the General Terms and Conditions to reduce deliveries to Customer. If any of the Section 5 Conditions are not met, Algonquin shall not be required to receive or deliver gas in amounts other than the transportation quantities scheduled by Customer, and variations between scheduled quantities and actual deliveries to Customer’s meter shall be subject to the assessment of penalties pursuant to Section 23 of the General Terms and Conditions.

4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide no-notice service under this rate schedule is subject to the following conditions being satisfied:

5.1 Customer must have scheduled and confirmed receipts into Customer’s Primary Point(s) of Receipt on Algonquin’s system for delivery to Customer’s Primary Point(s) of Delivery which receipts are pursuant to either Section 5.1(i) or Section 5.1(ii) below, or pursuant to both Sections 5.1(i) and 5.1(ii):

1. any no-notice service on one or more operators of upstream facilities that interconnect with the Algonquin system (the “Upstream Entity(ies)”)
2. (a) under which the quantity of such receipts is at least equal to the quantity Customer nominated for such Gas Day under this Rate Schedule AFT-E;
3. (b) under which Customer can increase or decrease its receipts from the Upstream Entity(ies) into Primary Point(s) of Receipt on Algonquin’s system with no advance notice, up to Customer’s MDTQ under this Rate Schedule AFT-E plus fuel as provided for in Section 32 of the General Terms and Conditions of this tariff in the case of increases in receipts, or down to zero in the case of decreases in receipts, without regard to any quantities that Customer previously scheduled on the Upstream
Entity(ies), and with no requirement that Customer adhere to a constant rate of flow on the Upstream Entity(ies); (c) under which Customer can increase its receipts from the Upstream Entity(ies) up to Customer’s MDTQ under Rate Schedule AFT-E plus fuel, as confirmed with a corresponding nomination under Customer's AFT-E Service Agreement, at such times as Algonquin determines in its reasonable discretion are required by the Algonquin system to meet the needs of Customer under this rate schedule; and (d) that is not subject to an operational flow order or other operating restriction for such Gas Day that prohibits no-notice or non-ratable deliveries from the Upstream Entity(ies);

(ii) any firm transportation service on an Upstream Entity(ies) with hourly nomination flexibility and non-ratable hourly delivery flexibility (a) under which the quantity of such receipts is at least equal to the quantity Customer nominated for such Gas Day under this Rate Schedule AFT-E; (b) under which Customer can increase its receipts from the Upstream Entity(ies) up to Customer’s MDTQ under Rate Schedule AFT-E plus fuel, as confirmed with a corresponding nomination under Customer's AFT-E Service Agreement, at such times as Algonquin determines in its reasonable discretion are required by the Algonquin system to meet the needs of Customer under this rate schedule; and (c) that is not subject to an operational flow order or other operating restriction for such Gas Day that prohibits non-ratable deliveries from the Upstream Entity(ies) (with Sections 5.1(i) and 5.1(ii) collectively comprising the “Upstream Arrangements”).

Customer shall make all necessary arrangements, including the Upstream Arrangements, with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations. Algonquin reserves the right to require information in addition to that specified in this Section 5.1 of this rate schedule, on a not unduly discriminatory basis, regarding Customer’s arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, including its Upstream Arrangement(s), and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer’s account.

5.2 To the extent that any Upstream Entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, or to the extent that Customer refuses or is unable to nominate on the Upstream Entity(ies) as requested by Algonquin pursuant to Section 5.1 herein above, Algonquin shall not be required to continue deliveries of gas on behalf of Customer under Rate Schedule AFT-E. Prior to any reduction or interruption in service due to the failure of the Upstream
Entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a
time and manner that is reasonable under then existing conditions. To the extent
that any downstream entity involved in handling Customer's gas refuses or is
unable to receive gas from Algonquin, Algonquin shall have the right to reduce
deliveries of gas on behalf of Customer.

5.3 The Upstream Arrangements must be in full force and effect; Customer shall not
be in default of the Upstream Arrangements; and Customer's rights under the
Upstream Arrangements shall be enforceable by Customer or its agents without
impairment due to curtailment, force majeure or other reasons.

5.4 The daily quantities of natural gas transported shall be delivered at the Point(s) of
Receipt at a substantially constant hourly rate sufficient to deliver the Customer's
total scheduled daily quantities under Rate Schedule AFT-E plus fuel over the
remaining hours of the Gas Day, or at such rate acceptable to Algonquin. The
daily quantities of natural gas transported shall be accepted at the Point(s) of
Delivery at a substantially constant hourly rate or, in the case of service
agreements resulting from the conversion pursuant to Order No. 636 of sales
entitlements under former Rate Schedules F-1 and WS-1, at an hourly rate no
greater than .06 multiplied by the scheduled daily quantity.

6. POINT(S) OF RECEIPT AND DELIVERY

6.1 Primary Points of Receipt:

(A) The Primary Point(s) of Receipt at which Algonquin shall receive gas for
transportation under this rate schedule shall be specified in an exhibit to
the service agreement executed by Algonquin and Customer. Such exhibit
shall specify for each Primary Point of Receipt the MDRO and receipt
pressure obligations. Such exhibit by mutual written agreement may be
superseded by a new exhibit which may add or delete specific points or
make other changes thereto that the parties deem appropriate. Algonquin
shall not accept any proposed Primary Point(s) of Receipt, or quantity at
any Primary Point(s) of Receipt, or change in quantities among Primary
Point(s) of Receipt if (a) the resulting aggregate MDROs at all of
Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ,
except under such circumstances as specified in Section 37.1(a) of the
General Terms and Conditions of this FERC Gas Tariff, or (b) in doing so,
in Algonquin's reasonable judgment, Algonquin would impair its ability to
satisfy its existing firm obligations to receive gas pursuant to other firm
service agreements under which such Point(s) of Receipt are Primary
Points of Receipt and to purchase and receive its Company Use Gas at
maximum deliverability levels, as such Company Use Gas arrangements
exist under agreements effective at the date of Customer's request or

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reasonably expected by Algonquin to be effective within six months of the request.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity and absent any restriction specified by Releasing Customer on point amendments by Replacement Customer, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s
mainline are available as Secondary Points of Receipt under this Rate Schedule AFT-E. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

6.3 Primary Points of Delivery:

(A) The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff.

(B) A Replacement Customer that acquired capacity on a temporary basis pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has temporarily released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity and absent any restriction specified by Releasing Customer on point amendments by Replacement Customer, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer for a temporary capacity release selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the temporary capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any
Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Secondary Points of Delivery under this Rate Schedule AFT-E. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. RESERVED FOR FUTURE USE

8. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
1. AVAILABILITY

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

a. Customer's total MDTQ under all Algonquin firm rate schedules is 10,000 Dth or less per Day;

b. Customer's sole source of transportation service deliveries is Algonquin;

c. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;

d. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;

e. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and

f. Customer and Algonquin have executed a Service Agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

g. Transportation service effectuated through capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 80047), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline (M&R No. 80104) are available under this Rate Schedule AFT-1S.
2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-1S Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.7 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-1S Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any
of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 A Customer executing a service agreement under this Rate Schedule AFT-1S has the right to make an election to convert its service in its entirety from firm transportation service under this rate schedule to firm transportation service under Rate Schedule AFT-1 by providing written notice of such election on or before June 1 of any year. As part of such conversion, such converting Customer has the right to reduce its MDTQ to be applicable under Rate Schedule AFT-1 upon such written notice of its election to convert. Such conversion and reduction shall be effective as of November 1 of that year.

2.5 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions of this tariff.

2.6 Unless otherwise specified in the applicable service agreement, service hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.

2.7 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ on which Customer’s Reservation Charge during the currently effective term of the service agreement is based, specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's current MDTQ for a given season up to but not in excess of the highest MDTQ on which Customer’s Reservation Charge during the currently effective term of the service agreement is based; provided, however, that such additional quantities shall be provided with the same priority for purposes of scheduling accorded to service meeting the criteria of Section 48.3(a)(1) of the General Terms and Conditions of this tariff only to the extent these quantities are requested to be scheduled from a receipt point located within the Base Flow Path to a delivery point located within the Base Flow Path, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.
3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-1S of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff.

The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-1S Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1S Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1S Service Agreement; plus

(b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) System Balancing Surcharge: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
3. Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) System Balancing Credit: The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.3 Monthly Bill for Backhaul Rates. For Customers executing an AFT-1S Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-1S Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-1S Service Agreement; plus

(b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) Imbalance Resolution Charges: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) System Balancing Surcharge: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus
(f) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties:** The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) **Revenue Credit:** The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit:** The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.4 **Reservation Charge Adjustment.** The Reservation Charge Adjustment (as set forth in the Statement of Rates for Rate Schedule AFT-1S of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) shall be applied to the Reservation Charge hereunder pursuant to the provisions of Section 50 of the General Terms and Conditions.

4. **NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES**

4.1 **Nominations and Scheduling.** If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 **Delivery of Gas.** Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.
4.3 **Commingling of Gas.** From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. **OTHER OPERATING CONDITIONS**

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.

5.3 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the upstream entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

5.4 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at an hourly rate of 1/24th of the scheduled daily quantity. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at a rate no greater than .06 multiplied by the scheduled daily quantity.

6. **POINT(S) OF RECEIPT AND DELIVERY**

6.1 **Primary Points of Receipt:**

(A) The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt...
pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt, with the exception
of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Secondary Points of Receipt under this Rate Schedule AFT-1S. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

6.3 Primary Points of Delivery:

(A) The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Delivery the MDDO and delivery pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported...
along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin’s mainline, the interconnection between the Canal Lateral and Algonquin’s mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin’s mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Secondary Points of Delivery under this Rate Schedule AFT-1S. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
RATE SCHEDULE AFT-ES  
FIRM TRANSPORTATION SERVICE  

1. AVAILABILITY  

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:  

a. Customer's total MDTQ under all Algonquin firm rate schedules is 10,000 Dth or less per Day;  

b. Customer's sole source of transportation service deliveries is Algonquin;  

c. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;  

d. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;  

e. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and  

f. Customer and Algonquin have executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.  

g. Transportation service effectuated through capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Manchester Street Lateral and Algonquin's mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin's mainline (M&R No. 80047), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline (M&R No. 80104) are available under this Rate Schedule AFT-ES.
h. On any Gas Day in which Customer desires firm no-notice transportation service under this Rate Schedule AFT-ES, Customer must comply with the operating conditions in Section 5 of this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-ES Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement, except as provided in Section 2.8 herein below, plus amounts reflecting the Fuel Reimbursement Quantity; provided however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed AFT-ES Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.
2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 Firm no-notice transportation service under this Rate Schedule AFT-ES is available to any Customer nominating under an AFT-ES Service Agreement on any Gas Day in which Customer complies with the conditions specified in Section 5 of this Rate Schedule.

2.5 A Customer executing a service agreement under this Rate Schedule AFT-ES has the right to make an election to convert its service in its entirety from firm transportation service under this rate schedule to firm transportation service under Rate Schedule AFT-E or Rate Schedule AFT-1 by providing written notice of such election on or before June 1 of any year. As part of such conversion, such converting Customer has the right to reduce its MDTQ to be applicable under Rate Schedule AFT-E or Rate Schedule AFT-1 upon such written notice of its election to convert. Such conversion and reduction shall be effective as of November 1 of that year.

2.6 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions of this tariff.

2.7 Unless otherwise specified in the applicable service agreement, service hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.

2.8 With respect to existing service agreements resulting from the conversion pursuant to Order No. 636 of sales and storage service under former Rate Schedules F-1, WS-1, STB and SS-3, subject to Algonquin's firm service obligations from primary points of receipt to primary points of delivery Algonquin shall provide service above Customer's MATQ up to but not in excess of the highest MDTQ on which Customer’s Reservation Charge during the currently effective term of the service agreement is based, specified in the executed service agreement multiplied by 365 (366 for a leap year) and, on any Day, Algonquin shall provide service above Customer's current MDTQ for a given season up to but not in excess of the highest MDTQ on which Customer’s Reservation Charge during the currently effective term of the service agreement is...
basis; provided, however, that such additional quantities shall be provided with the same priority for purposes of scheduling accorded to service meeting the criteria of Section 48.3(a)(1) of the General Terms and Conditions of this tariff only to the extent these quantities are requested to be scheduled from a receipt point located within the Base Flow Path to a delivery point located within the Base Flow Path, and provided further, that for purposes of Curtailment Customer's maximum daily entitlement shall be the highest MDTQ specified in Customer's executed service agreement during the period of Curtailment. Such additional quantities shall be subject to fuel, the applicable commodity rate and any applicable commodity surcharges.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-ES of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AFT-ES Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-ES Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) Reservation Charge: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in Customer's executed AFT-ES Service Agreement; plus

(b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
(d) **Imbalance Resolution Charges**: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **System Balancing Surcharge**: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) **Scheduling Penalties**: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties**: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) **Revenue Credit**: The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit**: The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

### 3.3 Monthly Bill for Backhaul Rates

For Customers executing an AFT-ES Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AFT-ES Service Agreement is effective and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) **Reservation Charge**: The charge per Month per Dth of Customer's highest MDTQ during the Contract Year, as specified in the applicable Service Agreement; plus

(b) **Commodity Charge**: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) **Authorized Overrun Charge**: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
(d) **Imbalance Resolution Charges**: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **System Balancing Surcharge**: The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) **Scheduling Penalties**: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties**: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) **Revenue Credit**: The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit**: The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.4 **Reservation Charge Adjustment.** The Reservation Charge Adjustment (as set forth in the Statement of Rates for Rate Schedule AFT-ES of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) shall be applied to the Reservation Charge hereunder pursuant to the provisions of Section 50 of the General Terms and Conditions.

4. **NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES**

4.1 **Nominations and Scheduling.** If Customer desires transportation of natural gas on any Gas Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff, or Section 5.1 of this Rate Schedule AFT-ES, as applicable. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities. On any Gas Day in which Customer nominates quantities under this Rate Schedule AFT-ES, Customer's no-
notice service under this Rate Schedule AFT-ES shall be limited to the scheduled quantity under its Upstream Arrangements as defined in Section 5.1 of this Rate Schedule AFT-ES. Any quantities nominated by Customer under this Rate Schedule AFT-ES that are in excess of scheduled quantities under its Upstream Arrangements shall be scheduled the same as nominated quantities under Rate Schedule AFT-1S of this FERC Gas Tariff.

4.2 Delivery of Gas. Based upon the daily quantity scheduled and in accordance with Section 5 herein, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 No-Notice Service. Notwithstanding the quantities nominated by Customer and scheduled by Algonquin hereunder, Customer shall be entitled to increase its deliveries up to the MDDO at any Primary Point(s) of Delivery, up to the MHTQ during any Hour, and up to the MDTQ, or to decrease its deliveries. Provided that all of the operational conditions specified in Section 5 of this rate schedule (the "Section 5 Conditions") are met, Algonquin shall consent to such increase or decrease in deliveries, thereby nullifying any daily scheduling or hourly scheduling penalty that would otherwise be applicable pursuant to Section 23 of the General Terms and Conditions. Furthermore, if the Section 5 Conditions are met, Algonquin will forbear from taking action pursuant to Section 26 of the General Terms and Conditions to reduce deliveries to Customer. If any of the Section 5 Conditions are not met, Algonquin shall not be required to receive or deliver gas in amounts other than the transportation quantities scheduled by Customer, and variations between scheduled quantities and actual deliveries to Customer's meter shall be subject to the assessment of penalties pursuant to Section 23 of the General Terms and Conditions.

4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide no-notice service under this rate schedule is subject to the following conditions being satisfied:
5.1 Customer must have scheduled and confirmed receipts into Customer’s Primary Point(s) of Receipt on Algonquin’s system for delivery to Customer’s Primary Point(s) of Delivery which receipts are pursuant to either Section 5.1(i) or Section 5.1(ii) below, or pursuant to both Sections 5.1(i) and 5.1(ii):

(i) any no-notice service on one or more operators of upstream facilities that interconnect with the Algonquin system (the “Upstream Entity(ies)”) (a) under which the quantity of such receipts is at least equal to the quantity Customer nominated for such Gas Day under this Rate Schedule AFT-ES; (b) under which Customer can increase or decrease its receipts from the Upstream Entity(ies) into Primary Point(s) of Receipt on Algonquin’s system with no advance notice, up to Customer’s MDTQ under this Rate Schedule AFT-ES plus fuel as provided for in Section 32 of the General Terms and Conditions of this tariff in the case of increases in receipts, or down to zero in the case of decreases in receipts, without regard to any quantities that Customer previously scheduled on the Upstream Entity(ies), and with no requirement that Customer adhere to a constant rate of flow on the Upstream Entity(ies); (c) under which Customer can increase its receipts from the Upstream Entity(ies) up to Customer’s MDTQ under Rate Schedule AFT-ES plus fuel, as confirmed with a corresponding nomination under Customer's AFT-ES Service Agreement, at such times as Algonquin determines in its reasonable discretion are required by the Algonquin system to meet the needs of Customer under this rate schedule; and (d) that is not subject to an operational flow order or other operating restriction for such Gas Day that prohibits no-notice or non-ratable deliveries from the Upstream Entity(ies);

(ii) any firm transportation service on an Upstream Entity(ies) with hourly nomination flexibility and non-ratable hourly delivery flexibility (a) under which the quantity of such receipts is at least equal to the quantity Customer nominated for such Gas Day under this Rate Schedule AFT-ES; (b) under which Customer can increase its receipts from the Upstream Entity(ies) up to Customer’s MDTQ under Rate Schedule AFT-ES plus fuel, as confirmed with a corresponding nomination under Customer's AFT-ES Service Agreement, at such times as Algonquin determines in its reasonable discretion are required by the Algonquin system to meet the needs of Customer under this rate schedule; and (c) that is not subject to an operational flow order or other operating restriction for such Gas Day that prohibits non-ratable deliveries from the Upstream Entity(ies) (with Sections 5.1(i) and 5.1(ii) collectively comprising the “Upstream Arrangements”).

Customer shall make all necessary arrangements, including the Upstream Arrangements, with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of
the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations. Algonquin reserves the right to require information in addition to that specified in this Section 5.1 of this rate schedule, on a not unduly discriminatory basis, regarding Customer’s arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, including its Upstream Arrangement(s), and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer’s account.

5.2 To the extent that any Upstream Entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, or to the extent that Customer refuses or is unable to nominate on the Upstream Entity(ies) as requested by Algonquin pursuant to Section 5.1 herein above, Algonquin shall not be required to continue deliveries of gas on behalf of Customer under this Rate Schedule AFT-ES. Prior to any reduction or interruption in service due to the failure of the Upstream Entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

5.3 The Upstream Arrangements must be in full force and effect; Customer shall not be in default of the Upstream Arrangements; and Customer's rights under the Upstream Arrangements shall be enforceable by Customer or its agents without impairment due to curtailment, force majeure or other reasons.

5.4 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt at a substantially constant hourly rate sufficient to deliver the Customer's total scheduled daily quantities under Rate Schedule AFT-ES plus fuel over the remaining hours of the Gas Day, or at such rate acceptable to Algonquin. The daily quantities of natural gas transported shall be accepted at the Point(s) of Delivery at a substantially constant hourly rate or, in the case of service agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at an hourly rate no greater than .06 multiplied by the scheduled daily quantity.

6. POINT(S) OF RECEIPT AND DELIVERY

6.1 Primary Points of Receipt:

(A) The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be
superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity and absent any restriction specified by Releasing Customer on point amendments by Replacement Customer, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be
available for use by Customer as Secondary Points of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Secondary Points of Receipt under this Rate Schedule AFT-ES. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

6.3 **Primary Points of Delivery:**

(A) The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Delivery the MDDO and delivery pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff.

(B) A Replacement Customer that acquired capacity on a temporary basis pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has temporarily released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity and absent any restriction specified by Releasing Customer on point amendments by Replacement Customer, any interconnection between the facilities of Algonquin and the facilities of other operators for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of...
Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In the event that Replacement Customer for a temporary capacity release selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the temporary capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.4 Secondary Points of Delivery: Notwithstanding the foregoing, all interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Secondary Points of Delivery under this Rate Schedule AFT-ES. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. RESERVED FOR FUTURE USE

8. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
1. **AVAILABILITY**

This rate schedule is available to any gas distribution system serving gas consumers in New Jersey or New York (hereinafter called "Customer") for the transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin"):  

(a) When such natural gas is transported through the portion of Algonquin's pipeline located in New Jersey and New York;  

(b) When such natural gas is tendered for transportation by Customer at a point or points on the main pipeline system of Algonquin in New Jersey or New York;  

(c) When, after transportation by Algonquin, Customer takes delivery of natural gas at a point or points on Algonquin's main pipeline system in New Jersey or New York; and  

(d) When Customer has an effective service agreement for such transportation service between specified points of receipt and delivery up to a specific Maximum Daily Transportation Quantity of natural gas which shall be stated in said service agreement.

2. **APPLICABILITY AND CHARACTER OF SERVICE**

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed T-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO") plus any applicable Fuel Reimbursement Quantity, provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such

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Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in an executed T-1 Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ, and on any Day a quantity of gas in excess of the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

3. RATE

3.1 Unit Rates. The applicable unit rates are set forth in the currently effective Statement of Rates for Rate Schedule T-1 of this tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 34 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill. Commencing for the Month in which the T-1 Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) Reservation Charge: The charge per Month per Dth of Customer's effective MDTQ under this rate schedule; plus

(b) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus
(c) **Authorized Overrun Charge:** The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) **Imbalance Resolution Charges:** The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **System Balancing Surcharge:** The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(f) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(g) **Unauthorized Contract Overrun Penalties:** The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(h) **Revenue Credit:** The revenue credit provided for in Section 41 of the General Terms and Conditions; less

(i) **System Balancing Credit:** The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.3 **Reservation Charge Adjustment.** The Reservation Charge Adjustment (as set forth in the Statement of Rates for Rate Schedule T-1 of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) shall be applied to the Reservation Charge hereunder pursuant to the provisions of Section 50 of the General Terms and Conditions.

4. **NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES**

4.1 **Nominations and Scheduling.** If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms
and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

5.3 The daily quantities of natural gas transported shall be delivered at the Points of Receipt and accepted at the Points of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. POINT(S) OF RECEIPT AND DELIVERY

6.1 The Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement.
executed by Algonquin and Customer. Such exhibit shall specify for each Point of Receipt the MDRO and receipt pressure obligations.

6.2 The Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff, with the exception of Section 14 (Capacity Release), are hereby made a part of this rate schedule.
1. **AVAILABILITY**

This rate schedule is available for firm transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer") on that portion of Algonquin's pipeline system known as (1) the Canal Lateral, which shall mean pipeline facilities including pipeline lateral facilities, meter station, and appurtenant facilities which extend from a point on Algonquin's existing mainline interstate natural gas pipeline system in Bourne, Massachusetts, along the north side of the Cape Cod Canal, under the Cape Cod Canal at or near the Bourne/Sandwich town line, and terminating at a point in the town of Sandwich in Barnstable County, Massachusetts, (2) the Middletown Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Glastonbury, Connecticut to a point of interconnection, at the outlet side of the Middletown Meter Station, with facilities constructed by Connecticut Light and Power Company, (3) the Cleary Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Berkley, Massachusetts, under the Taunton River to a point of interconnection, at the outlet side of the Cleary Meter Station, with facilities constructed by Taunton Municipal Lighting Plant, (4) the Lake Road Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Windham County, Connecticut to a point of interconnection, at the outlet side of the Lake Road Meter Station, with facilities constructed by Lake Road Generating Co. LP, (5) the Bellingham Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Norfolk County, Massachusetts to a point of interconnection, at the outlet side of the Bellingham Meter Station, with facilities constructed by ANP Bellingham Energy Company, (6) the Phelps Dodge Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in New London County, Connecticut to a point of interconnection at the outlet side of the Phelps Dodge Meter Station, with facilities owned by Phelps Dodge Copper Products Company, (7) the Manchester Street Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities that extend from a point on Algonquin's existing interstate natural gas pipeline system at the head of the G-12 Lateral (M&R No. 80070) to a point of interconnection with facilities owned by USGen New England, Inc. at the outlet side of the Manchester Street power plant (M&R No. 00087), (8) the Cape Cod Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities that extend from the terminus of Algonquin's Canal Lateral in the town of Sandwich in Barnstable County, Massachusetts, to a point of interconnection with facilities owned by Boston Gas Company d/b/a National Grid in the town of Sandwich in Barnstable County, Massachusetts, (9) the Northeast Gateway Lateral, which shall mean pipeline facilities including a pipeline lateral and appurtenant facilities that extend from a point on Algonquin's
existing HubLine offshore system in Massachusetts Bay, Massachusetts, to a point of interconnection with the offshore deepwater port facilities owned by Northeast Gateway Energy Bridge, L.L.C., (10) the J-2 Facility, which shall mean pipeline facilities including two parallel pipeline laterals, meter stations and appurtenant facilities that extend from a point on Algonquin's existing interstate natural gas pipeline system at the head of the J-2 Facility (M&R No. 80094) to a point of interconnection with facilities owned by The Boston Gas Company db/a National Grid downstream of the Mansfield Street Station (M&R No. 00070), (11) the Kleen Energy Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station and appurtenant facilities that extend from a point on Algonquin's existing Middletown Lateral in the City of Middletown, Connecticut, to a point of interconnection, at the outlet side of the Kleen Energy Meter Station (M&R No. 00833), with the Kleen Energy Power Plant facilities, (12) the Salem Lateral, which shall mean pipeline facilities including a pipeline lateral, meter station, and appurtenant facilities which will extend from a point on Algonquin's existing interstate natural gas pipeline system in Salem Massachusetts to a point of interconnection, at the outlet side of the Salem Lateral Meter Station (M&R No. 00837), with facilities owned by Footprint Power Salem Harbor Development, LP, or (13) the West Roxbury Lateral, which shall mean pipeline facilities including pipeline lateral facilities, meter station, and appurtenant facilities that extend from a point on Algonquin's existing mainline interstate natural gas pipeline system at the head of the West Roxbury Lateral (M&R No. 80104) in the Town of Westwood in Norfolk County, Massachusetts, to a point of interconnection, at the outlet side of the West Roxbury Meter Station, with facilities owned by the Boston Gas Company db/a National Grid (M&R No. 00838) when:

a. Algonquin has placed the Canal Lateral, Middletown Lateral, Cleary Lateral, Lake Road Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, Kleen Energy Lateral, Salem Lateral, or West Roxbury Lateral, as applicable, in service;

b. Customer has made a valid request for firm transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part;

c. Sufficient firm capacity is available to effectuate such transportation without any construction of facilities or other investment by Algonquin, or Algonquin has waived this requirement in writing;

d. The Primary Point(s) of Receipt and Primary Point(s) of Delivery requested by Customer are acceptable to Algonquin from the viewpoint of adequacy of Algonquin's existing facilities to receive and transport Customer's gas with Algonquin's existing firm service taking precedence; and

e. Customer and Algonquin have executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.
f. Under this Rate Schedule AFT-CL, a single AFT-CL service agreement is available to multiple parties who meet the qualifications set forth in the Multiple Shipper Option Agreement ("MSOA") and such agreement has been executed by the Customers, Algonquin and other relevant parties.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Transportation service hereunder will be on a firm basis except as provided herein and in Sections 16 and 24 of the General Terms and Conditions of this tariff. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin's system as specified in an executed AFT-CL Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for account of Customer up to Customer's Maximum Daily Transportation Quantity the ("MDTQ") and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement; provided, however, Algonquin shall not be obligated to, but may at its option, receive at any Point(s) of Receipt on any Day a quantity of gas in excess of the applicable Maximum Daily Receipt Obligation ("MDRO"), provided that, if more than one Customer requests receipts in excess of its MDRO at a Point of Receipt, and the sum of all such requests exceeds the available capacity at such Point of Receipt, Algonquin shall apportion such receipts in excess of MDRO among such Customers pro rata according to the Customers' firm MDROs at the relevant Point of Receipt.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall transport and deliver hourly quantities of gas required by Customer up to Customer's MDTQ and, on a cumulative basis in any year, up to Customer's MATQ at those points on Algonquin's system as are specified in an executed AFT-CL Service Agreement between Customer and Algonquin (hereinafter referred to as "Point(s) of Delivery"); provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery a daily quantity exceeding the applicable Maximum Daily Delivery Obligation ("MDDO"), provided that, if more than one Customer requests deliveries in excess of its MDDO at a Point of Delivery, and the sum of all such requests exceeds the available capacity at such Point of Delivery, Algonquin shall apportion such deliveries in excess of MDDO among such Customers pro rata according to the Customers' firm MDDOs at the relevant Point of Delivery.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 3 below.

2.5 Unless otherwise specified in the applicable Service Agreement, services hereunder shall be available on any day of the year, subject to Customer's MATQ and MDTQ limitations.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AFT-CL of this tariff and are hereby incorporated herein. Such rates are subject to change under Sections 33 and 34 of the General Terms & Conditions as well as subject to the provisions of Section 4.3 of this rate schedule. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill. Commencing for the Month in which the AFT-CL Service Agreement is effective, and for each Month thereafter unless otherwise specified in the applicable Service Agreement, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) **Reservation Charge**: The charge per Month per Dth of Customer's MDTQ as specified in Customer's executed AFT-CL Service Agreement; plus

(b) **Commodity Charge**: The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(c) **Authorized Overrun Charge**: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(d) **Imbalance Resolution Charges**: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(e) **Scheduling Penalties**: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus
(f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(g) Revenue Credit: The revenue credit provided for in Section 41 of the General Terms and Conditions.

3.3 Customer Reimbursement. Customer shall, in addition to the charges referenced above, reimburse Algonquin for the following:

(a) The costs of any facilities installed by Algonquin with Customer's consent to receive, measure, transport or deliver natural gas for the account of Customer; and

(b) Any and all filing and approval fees required in connection with Customer's service agreement that Algonquin is obligated to pay to the FERC or any other governmental authority having jurisdiction.

Any reimbursement due Algonquin by Customer pursuant to this Section 3.3 shall be due and payable to Algonquin within ten days of the date of Algonquin's invoice(s) for same.

3.4 Reservation Charge Adjustment. The Reservation Charge Adjustment (as set forth in the Statement of Rates for Rate Schedule AFT-CL of Algonquin's FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) shall be applied to the Reservation Charge hereunder pursuant to the provisions of Section 50 of the General Terms and Conditions.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

4.1 Nominations and Scheduling. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 Delivery of Gas. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder. Any excess or deficiency in
such receipts and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions of this tariff. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 Responsibility for Imbalances. Any imbalance resulting from transportation pursuant to this rate schedule on the Canal Lateral, Middletown Lateral, Cleary Lateral, Lake Road Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, Kleen Energy Lateral, Salem Lateral, or West Roxbury Lateral, as applicable, shall be accounted for under the upstream transportation agreement(s) pursuant to which such gas was delivered to the inlet of the Canal Lateral, Middletown Lateral, Cleary Lateral, Lake Road Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, Kleen Energy Lateral, Salem Lateral, or West Roxbury Lateral, as applicable. No imbalance resolution charges, unauthorized overrun penalties, or scheduling penalties shall be assessed under this rate schedule to the extent that Algonquin has assessed any such charges or penalties under another agreement with respect to the same gas or transaction.

4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

5.2 Algonquin shall schedule receipts at a Secondary Point of Receipt or deliveries at a Secondary Point of Delivery pursuant to the provisions of Sections 48.2 and 48.3 of the General Terms and Conditions.

5.3 To the extent that any upstream entity involved in handling Customer's gas (other than Algonquin) refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. Prior to any reduction or interruption in service due to the failure of the upstream entity to deliver gas on behalf of Customer, Algonquin shall provide notice in a time and manner that is reasonable under then existing conditions. To the extent that any
downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

6. POINT(S) OF RECEIPT AND DELIVERY

6.1 Primary Points of Receipt:

(A) The Primary Point(s) of Receipt at which Algonquin shall receive gas for transportation under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Primary Point of Receipt the MDRO and receipt pressure obligations. Such exhibit by mutual written agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Receipt, or quantity at any Primary Point(s) of Receipt, or change in quantities among Primary Point(s) of Receipt if (a) the resulting aggregate MDROs at all of Customer's Primary Point(s) of Receipt would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff, or (b) in doing so, in Algonquin's reasonable judgment, Algonquin would impair its ability to satisfy its existing firm obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt and to purchase and receive its Company Use Gas at maximum deliverability levels, as such Company Use Gas arrangements exist under agreements effective at the date of Customer's request or reasonably expected by Algonquin to be effective within six months of the request.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators on the designated AFT-CL lateral for use as a Primary Point of Receipt in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Receipt to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment to the Primary Points of Receipt under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original...
contract. In addition, a Replacement Customer may choose only those primary points along the lateral segment on which it contracts for transportation service under the replacement contract, as those lateral segments are set forth in the description of Secondary Points in Section 6.2 below. In the event that Replacement Customer selects a new Primary Point of Receipt that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Receipt, shall revert to the Releasing Customer, and any Primary Points of Receipt granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.2 Secondary Points of Receipt: Notwithstanding the foregoing, all interconnections between the Canal Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Canal Lateral, all interconnections between the Middletown Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Middletown Lateral, all interconnections between the Cleary Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Cleary Lateral, all interconnections between the Lake Road Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Lake Road Lateral, all interconnections between the Bellingham Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Bellingham Lateral, all interconnections between the Phelps Dodge Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Phelps Dodge Lateral, all interconnections between the Manchester Street Lateral facilities of Algonquin and the facilities of other operators, including, but not limited to, the head of the G-12 Lateral (M&R No. 80070), shall be available for use by Customer as Secondary Points of Receipt for service on the Manchester Street Lateral, all interconnections between the Cape Cod Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Cape Cod Lateral, all interconnections between the Northeast Gateway Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Northeast Gateway Lateral, all interconnections between the J-2 Facility of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the J-2 Facility, all interconnections between the Kleen Energy Lateral facilities of Algonquin and the facilities of other operators shall be
available for use by Customer as Secondary Points of Receipt for service on the Kleen Energy Lateral, all interconnections between the Salem Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the Salem Lateral, and all interconnections between the West Roxbury Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the West Roxbury Lateral. Such use of Secondary Points of Receipt is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

6.3 Primary Points of Delivery:

(A) The Primary Point(s) of Delivery at which Algonquin shall deliver gas for Customer's account under this rate schedule shall be specified in an exhibit to the service agreement executed by Algonquin and Customer. Such exhibit shall specify for each Point of Delivery the MDDO and delivery pressure obligations. Such exhibit by mutual agreement may be superseded by a new exhibit which may add or delete specific points or make other changes thereto that the parties deem appropriate. Algonquin shall not accept any proposed Primary Point(s) of Delivery, or quantity at any Primary Point(s) of Delivery, or change in quantities among Primary Point(s) of Delivery if the resulting aggregate MDDOs at all of Customer's Primary Point(s) of Delivery would exceed Customer's MDTQ, except under such circumstances as specified in Section 37.1(a) of the General Terms and Conditions of this FERC Gas Tariff.

(B) A Replacement Customer that acquired capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff or a Releasing Customer that has released capacity pursuant to the capacity release mechanism set forth in Section 14 of the General Terms and Conditions of this tariff may request, subject to the availability of point and path capacity, any interconnection between the facilities of Algonquin and the facilities of other operators on the designated AFT-CL lateral for use as a Primary Point of Delivery in a segmented transaction, provided, however, that Algonquin shall not accept any proposed Primary Point of Delivery to the extent that (a) the resulting aggregate contractual entitlements under the related releasing and replacement contracts along any segment would exceed the MDTQ of the original contract, or (b) the quantities transported along any segment to the Primary Points of Delivery under the resulting aggregate related releasing and replacement contracts would exceed the MDTQ of the original contract. In addition, a Replacement Customer may choose only those primary points along the lateral segment on which it contracts for transportation service under the replacement contract, as those lateral segments are set forth in the description of Secondary Points in Section
6.4 below. In the event that Replacement Customer selects a new Primary Point of Delivery that is located within the acquired contract path, the portion of the path no longer covered by that contract is deemed to be unsubscribed capacity that may be sold by Algonquin for the term of the capacity release agreement. Upon termination of the capacity release agreement, all capacity covered by the original release, including the original Primary Points of Delivery, shall revert to the Releasing Customer, and any Primary Points of Delivery granted during the term of the capacity release agreement shall revert to Algonquin as unsubscribed capacity.

6.4 **Secondary Points of Delivery:** Notwithstanding the foregoing, all interconnections between the Canal Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Canal Lateral, all interconnections between the Middletown facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Middletown Lateral, all interconnections between the Cleary Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Cleary Lateral, all interconnections between the Lake Road Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Lake Road Lateral, all interconnections between the Bellingham Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Bellingham Lateral, all interconnections between the Phelps Dodge Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Phelps Dodge Lateral, all interconnections between the Manchester Street Lateral facilities of Algonquin and the facilities of other operators, including, but not limited to, the head of the G-12 Lateral (M&R No. 80070), shall be available for use by Customer as Secondary Points of Delivery for service on the Manchester Street Lateral, all interconnections between the Cape Cod Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Cape Cod Lateral, all interconnections between the Northeast Gateway Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Northeast Gateway Lateral, all interconnections between the J-2 Facility of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Receipt for service on the J-2 Facility, all interconnections between the Kleen Energy Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points of Delivery for service on the Kleen Energy Lateral, all interconnections between the Salem Lateral facilities of Algonquin and the facilities of other operators shall be available for
use by Customer as Secondary Points of Delivery for service on the Salem Lateral, and all interconnections between the West Roxbury Lateral facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Secondary Points and Delivery for service on the West Roxbury Lateral. Such use of Secondary Points of Delivery is subject to and pursuant to Section 48.2 of the General Terms and Conditions of this FERC Gas Tariff.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
RATE SCHEDULE AIT-1
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available for interruptible transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

a. Customer has made a valid request for interruptible transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part; and

b. Customer and Algonquin have executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

c. Transportation service effectuated through capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL is not available under this rate schedule; provided, however that the interconnection between the Manchester Street Lateral and Algonquin’s mainline (M&R No. 80071), the interconnection between the Canal Lateral and Algonquin’s mainline (M&R No. 80047), the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline (M&R No. 80095), the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline (M&R No. 80104) are available under this Rate Schedule AIT-1.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Transportation service hereunder will be on an interruptible basis. Algonquin shall receive from Customer, or for the account of Customer, at those points on Algonquin’s system as specified in Section 6.1 of this Rate Schedule AIT-1 (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity.
2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on Algonquin's system as are specified in Section 6.2 of this Rate Schedule AIT-1 (hereinafter referred to as "Point(s) of Delivery"), provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AIT-1 of this FERC Gas Tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of this tariff.

3.2 Monthly Bill for Forwardhaul Rates. For Customers executing an AIT-1 Service Agreement for transportation which is not solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AIT-1 Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:
(a) **Commodity Charge:** The applicable commodity rate multiplied by the quantity of gas delivered in the Month (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(b) **Authorized Overrun Charge:** The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus

(c) **Imbalance Resolution Charges:** The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(d) **System Balancing Surcharge:** The applicable charge per Dth assessed on the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions; plus

(e) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(f) **Unauthorized Contract Overrun Penalties:** The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions; less

(g) **System Balancing Credit:** The applicable credit per Dth applied to the quantity of gas delivered in the Month under this rate schedule at the Point(s) of Delivery to resolve the balance of the system balancing account as reflected in the annual filing pursuant to Section 43.1(b) of the General Terms and Conditions.

3.3 **Monthly Bill for Backhaul Rates.** For Customers executing an AIT-1 Service Agreement for transportation which is solely a Backhaul transportation arrangement as defined in Section 1 of the General Terms and Conditions, and commencing for the Month in which the AIT-1 Service Agreement is effective and for each Month thereafter, Algonquin shall charge and Customer shall pay Algonquin the sum of the following amounts:

(a) **Commodity Charge:** The applicable commodity rate multiplied by the quantity of gas delivered in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(b) **Authorized Overrun Charge:** The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
(c) **Imbalance Resolution Charges:** The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(d) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(e) **Unauthorized Contract Overrun Penalties:** The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions.

4. **NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES**

4.1 **Nominations and Scheduling.** If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 **Delivery of Gas.** Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 **Commingling of Gas.** From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. **OTHER OPERATING CONDITIONS**

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

5.1 Customer shall make all necessary arrangements with other parties at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for
transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

5.3 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt and accepted at the Point(s) of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. POINT(S) OF RECEIPT AND DELIVERY

6.1 All interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Point(s) of Receipt, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral facilities, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AIT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Points of Receipt under this Rate Schedule AIT-1.

6.2 All interconnections between the facilities of Algonquin and the facilities of other operators shall be available for use by Customer as Point(s) of Delivery, with the exception of interconnections with the facilities of other operators accessible only through the utilization of capacity on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral facilities, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL; provided, however, that the interconnection between the Manchester Street Lateral and Algonquin's mainline, the interconnection between the Canal Lateral and Algonquin's mainline, the interconnection between the Northeast Gateway Lateral
and the HubLine offshore system in Massachusetts Bay, Massachusetts, the interconnection between the J-2 Facility and Algonquin's mainline, the interconnection between the Middletown Lateral and the Kleen Energy Lateral, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts, and the interconnection between the West Roxbury Lateral and Algonquin’s mainline are available as Points of Delivery under this Rate Schedule AIT-1.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
RATE SCHEDULE AIT-2
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available for interruptible transportation of natural gas by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer") on the Manchester Street Lateral, on the Canal Lateral, on the Cape Cod Lateral, on the Northeast Gateway Lateral, on the J-2 Facility, on the Kleen Energy Lateral, on the Salem Lateral, or on the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL, when:

a. Customer has made a valid request for interruptible transportation pursuant to Section 2 of the General Terms and Conditions of this FERC Gas Tariff of which this rate schedule is a part; and

b. Customer and Algonquin have executed a service agreement in the form contained in the FERC Gas Tariff of which this rate schedule is a part; and

c. Customer's service agreement specifies that either the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as such lateral facilities are defined in Rate Schedule AFT-CL, shall be utilized to effectuate service hereunder.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Transportation service hereunder will be on an interruptible basis. Algonquin shall receive from Customer, or for the account of Customer, at those points on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as specified in Section 6.1 of this Rate Schedule AIT-2 (hereinafter referred to as "Point(s) of Receipt") for transportation hereunder daily quantities of gas tendered for the account of Customer up to Customer's Maximum Daily Transportation Quantity ("MDTQ") plus an amount reflecting the Fuel Reimbursement Quantity, if applicable, as defined in Section 32 of the General Terms and Conditions of this tariff and, on a cumulative basis in any year, up to Customer's Maximum Annual Transportation Quantity ("MATQ") as specified in the service agreement plus amounts reflecting the Fuel Reimbursement Quantity, if applicable.

2.2 Upon receipt of such natural gas for Customer's account, Algonquin shall, after making allowance for the Fuel Reimbursement Quantity, if applicable, transport and deliver hourly quantities of gas required by Customer up to Customer's Maximum Hourly Transportation Quantity ("MHTQ") at those points on the
Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as specified in Section 6.2 of this Rate Schedule AIT-2 (hereinafter referred to as "Point(s) of Delivery"), provided, however, Algonquin shall not be obligated to, but may at its option, deliver at any Point(s) of Delivery an hourly quantity exceeding the MHTQ.

2.3 Provided such quantities have been scheduled in accordance with Section 23 of the General Terms and Conditions, Customer may tender quantities of gas in excess of the MDTQ plus any applicable Fuel Reimbursement Quantity on any Day if in Algonquin's reasonable judgment transportation of such gas can be accomplished by Algonquin without detriment to any other Customer under any of Algonquin's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.

2.4 Algonquin shall not be obligated to add any facilities or expand the capacity of Algonquin's pipeline system in any manner in order to provide transportation service to Customer pursuant to this rate schedule; provided, however, Algonquin may, at its option, and with Customer's consent, add facilities or expand capacity to provide such transportation service, subject to Section 42 of the General Terms and Conditions of this tariff.

3. RATE

3.1 Unit Rates. The applicable maximum and minimum unit rates are set forth in the currently effective Statement of Rates for Rate Schedule AIT-2 of this FERC Gas Tariff and are hereby incorporated herein. Such rates are subject to adjustment pursuant to Section 33 and Section 34 of the General Terms and Conditions of this tariff. The applicable unit rates to be charged on any Day by Algonquin for gas delivered to Customer shall not be in excess of the maximum unit rate nor less than the minimum unit rate, unless Customer and Algonquin have agreed otherwise in a Negotiated Rate pursuant to Section 46 of the General Terms and Conditions of Algonquin's FERC Gas Tariff.

3.2 Monthly Bill. Commencing for the Month in which the AIT-2 Service Agreement is effective and for each Month thereafter, Algonquin shall charge Customer and Customer shall pay Algonquin the sum of the following amounts:

(a) Commodity Charge: The applicable commodity rate multiplied by the quantity of gas delivered in the Month (excluding Authorized Overrun Quantities) at the Point(s) of Delivery; plus

(b) Authorized Overrun Charge: The applicable authorized overrun charge per Dth of Authorized Overrun Quantity delivered to Customer for the Month under this rate schedule; plus
(c) **Imbalance Resolution Charges**: The applicable imbalance resolution charges assessed pursuant to Section 25 of the General Terms and Conditions; plus

(d) **Scheduling Penalties**: The applicable scheduling penalties assessed pursuant to Section 23 of the General Terms and Conditions; plus

(e) **Unauthorized Contract Overrun Penalties**: The applicable unauthorized contract overrun penalties assessed pursuant to Section 31 of the General Terms and Conditions.

4. **NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES**

4.1 **Nominations and Scheduling**. If Customer desires transportation of natural gas on any Day under this rate schedule, Customer shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions of this tariff. Based upon the nomination of Customer, Algonquin shall schedule receipts and deliveries of gas in accordance with Section 23 of the General Terms and Conditions. It is the responsibility of Customer to adjust its deliveries and receipts to conform to the scheduled quantities.

4.2 **Delivery of Gas**. Based upon the daily quantity scheduled, Algonquin shall make daily delivery of Customer's scheduled quantity taking into account the Fuel Reimbursement Quantity. It is the intention of Algonquin that daily deliveries of gas at the Point(s) of Delivery by Algonquin hereunder shall be as nearly equal as possible to daily receipts of gas at the Point(s) of Receipt by Algonquin for transportation hereunder, less the applicable Fuel Reimbursement Quantity. Any excess or deficiency in such receipts, less the applicable Fuel Reimbursement Quantity, and deliveries shall be resolved in accordance with Section 25 of the General Terms and Conditions. Nothing in this rate schedule shall limit Algonquin's right to take actions pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.3 **Responsibility for Imbalances**. Any imbalance resulting from transportation transactions pursuant to this rate schedule on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, or the West Roxbury Lateral, as specified on Customer's AIT-2 Service Agreement for which natural gas was received under an upstream transportation agreement(s) on Algonquin's system shall be accounted for under the upstream transportation agreement(s). No imbalance resolution charges, unauthorized overrun penalties, or scheduling penalties shall be assessed under this rate schedule for such transactions to the extent that Algonquin has assessed any such charges or penalties under the upstream transportation agreement(s) with respect to the same gas or transactions.
4.4 **Commingling of Gas.** From the time the natural gas is received by Algonquin at the Point(s) of Receipt, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. **OTHER OPERATING CONDITIONS**

Algonquin's obligation to provide service under this rate schedule is subject to the following conditions being satisfied:

5.1 Customer shall make all necessary arrangements with Algonquin or other parties, as applicable, at or upstream of the Point(s) of Receipt where Customer tenders gas to Algonquin for transportation, and at or downstream of the Point(s) of Delivery where Algonquin delivers gas for Customer's account, and such arrangements must be compatible with Algonquin's system operations.

5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer. To the extent that any downstream entity involved in handling Customer’s gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer.

5.3 The daily quantities of natural gas transported shall be delivered at the Point(s) of Receipt and accepted at the Point(s) of Delivery at a substantially constant hourly rate, or such other hourly rate as may be acceptable to Algonquin.

6. **POINT(S) OF RECEIPT AND DELIVERY**

6.1 All interconnections between the Manchester Street Lateral facilities, including, but not limited to the head of the G-12 Lateral (M&R No. 80070); the Canal Lateral facilities, including, but not limited to, the interconnection between the Canal Lateral and Algonquin's mainline; the Cape Cod Lateral facilities, including, but not limited to, the interconnection between the Cape Cod Lateral and the Canal Lateral; the Northeast Gateway Lateral facilities, including, but not limited to, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts; the J-2 Facility, including, but not limited to the head of the J-2 Facility (M&R No. 80094); the Kleen Energy Lateral facilities, including, but not limited to, the interconnection between the Kleen Energy Lateral and the Middletown Lateral; the Salem Lateral, including, but not limited to, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts; or the West Roxbury Lateral facilities, including, but not limited to, the interconnection between the...
West Roxbury Lateral and Algonquin’s mainline, as specified in Customer's executed AIT-2 Service Agreement, and the facilities of other operators shall be available for use by Customer as Point(s) of Receipt.

6.2 All interconnections between the Manchester Street Lateral facilities, including, but not limited to the head of the G-12 Lateral (M&R No. 80070); the Canal Lateral facilities, including, but not limited to, the interconnection between the Canal Lateral and Algonquin's mainline; the Cape Cod Lateral facilities, including, but not limited to, the interconnection between the Cape Cod Lateral and the Canal Lateral; the Northeast Gateway Lateral facilities, including, but not limited to, the interconnection between the Northeast Gateway Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts; the J-2 Facility, including, but not limited to the head of the J-2 Facility (M&R No. 80094); the Kleen Energy Lateral facilities, including, but not limited to, the interconnection between the Kleen Energy Lateral and the Middletown Lateral; or Salem Lateral, including, but not limited to, the interconnection between the Salem Lateral and the HubLine offshore system in Massachusetts Bay, Massachusetts; or the West Roxbury Lateral facilities, including but not limited to, the interconnection between the West Roxbury Lateral and Algonquin’s mainline, as specified in Customer's executed AIT-2 Service Agreement, and the facilities of other operators shall be available for use by Customer as Point(s) of Delivery.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this FERC Gas Tariff are hereby made a part of this rate schedule.
RATE SCHEDULE PAL
PARK AND LOAN SERVICE

1. AVAILABILITY

This rate schedule is available for parking and loaning of natural gas on an interruptible basis by Algonquin Gas Transmission, LLC (hereinafter called "Algonquin") for any party (hereinafter called "Customer"), when:

a. Customer has made a valid request for Park and Loan (PAL) Service pursuant to Section 2 of the General Terms and Conditions of the FERC Gas Tariff of which this rate schedule is a part; and

b. After review and acceptance of such request by Algonquin, Customer and Algonquin have executed a PAL Service Agreement, in the form contained in the FERC Gas Tariff of which this rate schedule is a part, with Algonquin for service under this Rate Schedule; and

c. Customer and Algonquin have executed a service agreement under any of Algonquin's open-access transportation Rate Schedules which provide for the transportation of gas quantities to or from the PAL Point(s) of Transaction, provided however, that no transportation service agreement is required if gas to be parked and/or loaned pursuant to this Rate Schedule is not transported by Algonquin. Such service agreements shall be in the form contained in the FERC Gas Tariff of which this rate schedule is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 Park and Loan Service shall be interruptible, as provided herein, in the effective PAL Service Agreement and in Algonquin's General Terms and Conditions. Individual Park and/or Loan Services provided under this rate schedule shall be provided for a minimum of one (1) Day or such longer period as agreed to by Customer and Algonquin, as specified in Exhibit(s) A to the Customer's PAL Service Agreement. Services shall be properly nominated pursuant to Section 22 of the General Terms and Conditions and such nominations shall include, without limitation, the term of the transaction, the quantity to be parked or loaned, as applicable, the PAL Point(s) of Transaction, and all other information required for a nomination under the General Terms and Conditions. Service under this Rate Schedule does not constitute "no-notice" service as that term is used in Order No. 636.

2.2 Park Service is an interruptible service pursuant to which Algonquin will: (a) receive quantities of gas for a Customer's account, at the nominated PAL Point(s) of Transaction, (b) hold such parked quantities, and (c) return such quantities of gas to the Customer at the PAL Point(s) of Transaction where Algonquin received
the gas. The maximum quantity of gas in Customer's account as Park Service on any Day shall not exceed the Maximum Park Quantity ("MPQ") shown in Exhibit(s) A to the Customer's PAL Service Agreement.

2.3 Loan Service is an interruptible service pursuant to which Algonquin will: (a) deliver quantities of gas for a Customer's account, from the nominated PAL Point(s) of Transaction, and (b) subsequently receive such quantities of gas at the PAL Point(s) of Transaction where Algonquin delivered the gas. The maximum quantity of gas in Customer's account as Loan Service on any Day shall not exceed the Maximum Loan Quantity ("MLQ") shown in Exhibit(s) A to the Customer's PAL Service Agreement.

2.4 Service under this Rate Schedule shall be made available on a first come, first served basis, to any Customer willing to pay maximum rates or such other rate mutually agreed upon by Customer and Algonquin, subject to all applicable provisions of the General Terms and Conditions of the FERC Gas Tariff of which this rate schedule is a part.

2.5 Interruptible parking and loaning of natural gas under this Rate Schedule shall be provided when and to the extent that Algonquin determines, using its reasonable discretion, that capacity is available on its existing facilities and that it has the operational flexibility to provide the service without detriment or disadvantage to Algonquin's firm obligations or other interruptible services during the transaction period as specified in Exhibit(s) A to the Customer's PAL Service Agreement. Existing quantities of gas parked or loaned cannot be bumped by new requests for park and/or loan service.

2.6 Algonquin shall not be obligated to add any facilities or expand the capacity of its pipeline system in any manner in order to provide Park Service and/or Loan Service to Customer pursuant to this Rate Schedule. Algonquin is free to contract at any time with other parties for new storage or transportation services (whether firm or interruptible) and/or new service under this Rate Schedule without liability to Customer for any resulting interruption or reduction of service hereunder.

3. RATE

3.1 The applicable rates for service hereunder are set forth in the currently effective Statement of Rates for Rate Schedule PAL of this FERC Gas Tariff and hereby incorporated herein. The rates in this Rate Schedule are subject to adjustment pursuant to Section 36 of Algonquin's General Terms and Conditions. Unless Algonquin and Customer agree in writing upon a rate for service provided hereunder, the rate applicable to a Customer for service hereunder shall be the applicable maximum rate(s) as set forth on the effective Statement of Rates for Rate Schedule PAL. In the event a rate less than the applicable maximum rate(s)
and not less than the applicable minimum rate(s) is agreed upon, such rate shall be applicable for the period agreed upon by Customer and Algonquin.

3.2 Algonquin shall submit and Customer shall pay a monthly invoice reflecting the sum of all Daily Charges for each Day during the applicable Month that PAL service is provided to the Customer by Algonquin. The Daily Charges shall be the product of the quantities of gas in Customer's PAL account for each separate Park and Loan transaction and the maximum or mutually agreed upon rate.

4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

4.1 If Customer desires parking and loaning service of natural gas on any Day under this Rate Schedule, Customer shall submit a nomination to Algonquin in accordance with Section 22 of Algonquin's General Terms and Conditions. Customer shall nominate the agreed upon park or loan quantities and term at the PAL Point(s) of Transaction specified in Exhibit(s) A to the Customer's PAL Service Agreement. Such nominated quantities and term shall be subject to confirmation by Algonquin. Algonquin shall schedule the quantities nominated hereunder in accordance with Section 23 of Algonquin's General Terms and Conditions.

4.2 The park or loan quantity of gas in Customer's account on any Day shall not exceed the MPQ and/or the MLQ set forth in Exhibit(s) A to the Customer's PAL Service Agreement, as applicable. Algonquin shall reject any nomination if Customer nominates quantities when the balance(s) in Customer's account exceeds the specified MPQ and/or MLQ or when giving effect to the nomination would result in a balance(s) in Customer's account in excess of the specified MPQ and/or MLQ.

4.3 PAL services shall be provided on an interruptible basis. Interruption of PAL services may include decreasing, temporarily suspending, or discontinuing the receipt or delivery of gas if Algonquin in its reasonable discretion determines that such decrease, suspension or discontinuance is necessary to prevent the impairment of reliable service or when a higher priority service so requires. Nothing in this rate schedule shall limit Algonquin's right to take action pursuant to Section 26 of the General Terms and Conditions of this tariff.

4.4 Commingling of Gas. From the time the natural gas is received by Algonquin at the PAL Point(s) of Transaction, Algonquin shall have the unqualified right to commingle such natural gas with other gas in Algonquin's system.

5. OTHER OPERATING CONDITIONS

5.1 Customer shall make all necessary arrangements with other parties at or upstream of the PAL Point(s) of Transaction where Customer delivers gas to Algonquin for
Park Service or where Customer delivers to decrease the balance in its account for Loan Service, and at or downstream of the PAL Point(s) of Transaction where Algonquin delivers gas to decrease the balance in Customer's account for Park Service or where Algonquin delivers gas to Customer for Loan Service, and such arrangements must be compatible with Algonquin's system operations.

5.2 To the extent that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue to receive gas on behalf of Customer, as contemplated in Section 5.1 of this Rate Schedule. To the extent that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce an equal quantity of the deliveries of gas on behalf of Customer, as contemplated in Section 5.1 of this Rate Schedule.

6. PARK AND LOAN (PAL) POINT(S) OF TRANSACTION

Any physical or accounting point that exists from time to time on Algonquin's system shall be available for use by PAL Customers as Point(s) of Transaction. Algonquin shall permit a PAL Customer to park at the Point(s) of Receipt specified in Exhibit(s) A of Customer's PAL Service Agreement, and/or Algonquin shall loan to Customer at the Point(s) of Delivery specified in Exhibit(s) A of Customer's PAL Service Agreement, the quantity specified in Exhibit(s) A of Customer's PAL Service Agreement.

Customer shall provide a nomination, in accordance with Section 22 of the General Terms and Conditions, for each transaction identified in Exhibit(s) A to the Customer's PAL Service Agreement.

7. IMPAIRMENT OF RECEIPTS AND DELIVERIES

7.1 If Algonquin, on any Day is unable to receive and/or deliver the total requests of all Customers on Algonquin's system, Algonquin shall limit receipts and/or deliveries of gas hereunder in accordance with Sections 16 and 24 of Algonquin's General Terms and Conditions.

7.2 Customer may be required, upon notification from Algonquin, to suspend or reduce receipts or deliveries for the agreed upon Park Service and/or the agreed upon Loan Service. Further, Customer may be required, upon notification from Algonquin, to remove quantities of gas previously provided to Algonquin under the Park service, or return quantities of gas previously loaned to Customer under the Loan service. Notwithstanding anything to the contrary in Section 40 of the General Terms and Conditions, such notification shall be provided to affected parties through the affected party's choice of Electronic Notice Delivery mechanism(s).
7.3 Should Algonquin notify Customer to remove or return quantities of gas pursuant to Section 7.2, Algonquin's notification shall specify the time frame, which shall be no less than twenty-four (24) hours, within which Park service quantities shall be removed, or Loan service quantities shall be returned. Such notifications shall be consistent with Algonquin's operating conditions, unless Algonquin and Customer mutually agree to a different specific time frame. The obligation of Customer to comply with the issued notification shall continue until such time as Algonquin is able to recommence the PAL services. In the event that Customer does not comply with Algonquin's notice, the parked balance or the loaned balance will be resolved in accordance with Sections 7.5 and 7.6, as applicable, of this Rate Schedule PAL.

To the extent that Customer is unable to comply with Algonquin's notice to remove parked quantities or return loaned quantities because Algonquin is not able to schedule Customer's nomination for such transaction's, the PAL penalties set forth in Sections 7.5 and 7.6, as applicable, shall not be assessed for those quantities that Algonquin is unable to schedule during the period that Algonquin is unable to schedule the Customer's nominations required by this Section 7.3.

7.4 If Customer requests delivery of parked quantities and Algonquin is unable to return the gas to Customer, then Customer has the option to: (i) suspend the Daily Charge and extend the term of the transaction until Algonquin is able to return the gas to Customer; or (ii) trade the balance with another Customer that has an offsetting loan balance at the same PAL Point of Transaction.

If Customer requests to return loaned quantities to Algonquin and Algonquin is unable to accept such receipts, then Customer has the option to: (i) suspend the Daily Charge and extend the term of the transaction until Algonquin is able to accept such receipts from Customer; or (ii) trade the balance with another Customer that has an offsetting park balance at the same PAL Point of Transaction.

7.5 Parked quantities shall become the property of Algonquin at no cost to Algonquin, free and clear of any adverse claims, in the event that any of the following situations occur:

(a) Algonquin's operating conditions require Algonquin to notify Customer that receipts of parked quantities must be suspended or reduced, and Customer fails to comply with such notification within the specified time frame; and/or

(b) Algonquin's operating conditions require Algonquin to notify Customer that all or a part of Customer's parked quantities must be removed, and Customer fails to comply with such notification within the specified time frame; and/or
(c) The PAL account reflects a balance at the termination date of the associated Exhibit A to the Customer's PAL Service Agreement or at the end of any mutually agreed upon extension of the termination date, and Algonquin's operating conditions require the removal of the parked quantities.

If Algonquin notifies Customer, pursuant to Sections 7.2 and 7.5(a) herein, that receipts of parked quantities must be suspended or reduced, only those quantities parked by the Customer in violation of the notification shall become the property of Algonquin at no cost to Algonquin, free and clear of any adverse claims.

Algonquin shall credit the system balancing account with the value of the gas retained pursuant to this Section 7.5. The value of the gas retained by Algonquin shall be based on the average of the Platts Gas Daily, “Daily Price Survey” postings for the High Common price for “Algonquin, city-gates” for the seven Day period beginning three Days before the Day on which the park occurred.

7.6 Title to loaned quantities shall be transferred to Customer and Customer shall be obligated to pay for each Dekatherm of such gas at a price equal to 150% of the average of the Platts Gas Daily, “Daily Price Survey” postings for the Midpoint price for “Algonquin, city-gates” for the seven Day period beginning three Days before the Day on which the loan occurred, in the event that any of the following situations occur:

(a) Algonquin's operating conditions require Algonquin to notify Customer that deliveries of Customer's loaned quantities must be suspended or reduced, and Customer fails to comply with such notification; and/or

(b) Algonquin's operating conditions require Algonquin to notify Customer that all or a part of Customer's loaned quantities must be returned to Algonquin, and Customer fails to comply within the specified time frame; and/or

(c) The PAL account reflects a balance at the termination date of the associated Exhibit A to the Customer's PAL Service Agreement or at the end of any mutually agreed upon extension of the termination date.

If Algonquin notifies Customer, pursuant to Sections 7.2 and 7.6(a) herein, that deliveries of Customer's loaned quantities must be suspended or reduced, only those quantities taken by the Customer in violation of the notification shall be transferred to Customer and Customer shall be obligated to pay for each Dekatherm of such gas at a price calculated as described in this Section 7.6. Algonquin shall credit the system balancing account with the net proceeds from the operation of this Section 7.6.
8. **BALANCES**

8.1 All PAL balance quantities reside at the PAL Point of Transaction at which the original park or loan quantity was nominated, and must be resolved at that PAL Point of Transaction by taking delivery of the Park Balance or returning the Loan Balance to Algonquin, as applicable. Balances incurred under this Rate Schedule PAL shall be resolved via in-kind balancing during the remaining term of the transaction, which term is specified in Exhibit(s) A to the Customer's PAL Service Agreement. Customer may resolve park and/or loan balances by transporting such balances between PAL Points of Transaction. The transportation shall be accomplished by Customer's submission of a nomination under Customer's executed transportation service agreement and the subsequent scheduling and confirmation processes pursuant to Sections 22 and 23 of the General Terms and Conditions.

Customer shall be required to reduce to zero each park and/or loan quantity of gas at each PAL Point of Transaction no later than the termination date of the Exhibit(s) A to the Customer's PAL Service Agreement, or prior to any mutually agreed upon extension of that term, applicable to that quantity. Any balances remaining upon the termination date of the Exhibit(s) A to the Customer's PAL Service Agreement, or any mutually agreed upon extension of that term, shall be resolved in accordance with Sections 7.5 and 7.6, as applicable, of this rate Schedule PAL.

Algonquin shall debit or credit, as appropriate, the system balancing account with the net proceeds, from the operation of this Section 8.

8.2 If Customer's PAL account reflects a park balance at the termination date of the associated Exhibit A to Customer's PAL Service Agreement or at the end of any mutually agreed upon extension of the termination date, and the balance has not been resolved pursuant to Section 7.5(c) of this Rate Schedule PAL, the term of the transaction will be extended until the earlier of (i) such time as the balance is reduced to zero or (ii) operating conditions require the removal of the balance pursuant to Section 7.5(c) of this Rate Schedule PAL. For any balance remaining beyond such agreed upon period set forth for a PAL transaction in Exhibit A of Customer's PAL Service Agreement, the applicable maximum rate(s) as set forth on the effective Statement of Rates for Rate Schedule PAL shall be applied on a daily basis until the balance is reduced to zero.

9. **GOVERNMENTAL AUTHORIZATIONS**

Park and Loan Services under executed PAL Service Agreements shall be implemented pursuant to any applicable self-implementing authorization or program of the FERC for which Algonquin has filed or in which Algonquin has agreed to participate.
10. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Algonquin's FERC Gas Tariff of which this Rate Schedule is a part are applicable to this Rate Schedule and are made a part hereof to the extent that such terms and conditions are not contradicted by any provision herein.
RANGE SCHEDULE TTT
TITLE TRANSFER TRACKING SERVICE

1. AVAILABILITY

1.1 This Open-access Rate Schedule is available to any party (hereinafter called "TTT Party") which has requested Title Transfer Tracking ("TTT") service pursuant to Section 2 of Algonquin Gas Transmission, LLC's (hereinafter called "Algonquin") General Terms and Conditions and, after review and acceptance of such request by Algonquin, has entered into a service agreement with Algonquin for service under Rate Schedule TTT. Such service agreement shall be in the form contained in Algonquin's FERC Gas Tariff of which this Rate Schedule TTT is a part. In addition, this Rate Schedule is available to any Third Party Account Administrator ("3PAD") who has either (i) been designated as an agent for a TTT Party, or (ii) executed a service agreement with Algonquin for service under this Rate Schedule TTT. For the purposes of this rate schedule, the term "TTT Party" shall also refer to a 3PAD.

1.2 Title Transfer Tracking Service will be made available pursuant to the scheduling provisions of Sections 22, 23 and 24 of the General Terms and Conditions of this FERC Gas Tariff, to any TTT Party that is willing and able to pay either the maximum rates hereunder or another rate to which Algonquin and TTT Party mutually agree, in accordance with the General Terms and Conditions. Algonquin is not required to provide any requested TTT service under this Rate Schedule for which Algonquin determines that administrative capability is not available, or that would interfere with Algonquin's performance of its firm service obligations.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to quantities of natural gas for which Algonquin provides TTT service on behalf of TTT Party, subject to an executed TTT Agreement that conforms to the form of Agreement contained in this Tariff. TTT service is an administrative service, under which Algonquin provides TTT Party with the ability to submit nominations for Title Transfer transactions at any receipt location on Algonquin's system, provided that the point is covered by an active Operational Balancing Agreement. These receipt locations shall be referred to in this Rate Schedule TTT as "TTT Points". Upon receipt of a nomination from the TTT Party, Algonquin will process the nomination at the TTT Point as directed by the TTT Party.

2.2 TTT Party or its customers must arrange for transportation service in accordance with Algonquin's FERC Gas Tariff under separate transportation service agreements (the "Subject Service Agreements"), for physical delivery of natural gas quantities subsequent to Title Transfers that are tracked pursuant to
nominations under this Rate Schedule, or for additional TTT service under separate TTT Service Agreements. This Rate Schedule does not entitle TTT Party to transportation service under Algonquin's FERC Gas Tariff separate from the entitlements under the Subject Service Agreements, nor does it entitle TTT Party to maintain imbalances on Algonquin's system.

2.3 Physical deliveries of the quantities of gas for which the title was tracked pursuant to this Rate Schedule shall be performed in accordance with provisions of the Subject Service Agreements and the terms of this FERC Gas Tariff. Quantities nominated under the TTT Service Agreement shall have the same scheduling priority as the Subject Service Agreement(s) used to physically transport the gas away from the TTT Point.

2.4 Nothing herein shall limit Algonquin's right to take action as may be required to adjust receipts of gas in order to alleviate conditions which threaten the integrity of its system, or the ability of Algonquin to transport firm quantities scheduled by any Customer, including actions taken pursuant to Sections 23 and 24 of the General Terms and Conditions.

3. **RATES**

The applicable rates and charges for service provided to TTT Party under this Rate Schedule shall include those uniform rates set forth in the currently effective Statement of Rates for Rate Schedule TTT of this FERC Gas Tariff. These rates and charges are incorporated herein by reference. Unless Algonquin and TTT Party agree in writing upon a rate for service provided hereunder, the rate applicable to a TTT Party for service hereunder shall be the applicable maximum rate(s). In the event a rate less than the applicable maximum rate(s) and not less than the applicable minimum rate(s) is agreed upon, such rate shall be applicable for the period agreed upon by Algonquin and TTT Party.

4. **MONTHLY BILL**

4.1 For TTT service provided under this Rate Schedule, TTT Party shall pay Algonquin each month the sum of the following:

A. **TTT Service Charge.** A charge for transaction nominated and scheduled for TTT service;

B. Any other applicable rates, charges and penalties as set forth in the General Terms and Conditions of this FERC Gas Tariff.

4.2 Notwithstanding the general provisions of Sections 3 and 4.1, above, if Algonquin and TTT Party mutually agree to Negotiated Rates for service hereunder, then
such Negotiated Rates shall apply in lieu of the otherwise applicable charges identified in Section 4.1.A of this Rate Schedule.

5. TTT POINTS

Any physical receipt point located on Algonquin's system ("TTT Point"), provided that the point is covered by an active Operational Balancing Agreement, can be utilized for the nomination of TTT service. Algonquin will permit TTT Party to nominate Title Transfers of quantities of natural gas at any of the TTT Points, subject to the existence of adequate corresponding transportation rights under Subject Service Agreement(s) to transport the quantities away from the TTT Point.

Algonquin shall provide one meter identification number to correspond to each location at which Title Transfer Tracking services for that location can be effected. This meter identification will be used exclusively for nominations of transactions related to Title Transfer Tracking service on Algonquin’s system. Algonquin shall post the meter identification numbers on its Internet Web Site.

6. TITLE TRANSFER TRACKING PROCEDURES

6.1 General Procedure.

A. For any Day on which a TTT Party desires to utilize the TTT service to track a Title Transfer for TTT Party's account under this Rate Schedule, such TTT Party shall provide a nomination to Algonquin in accordance with Section 22 of the General Terms and Conditions, specifying:

(1) the quantity of gas for which title is to be transferred,
(2) the upstream party participating in the TTT transaction, and the upstream party's associated upstream contract identifier,
(3) the downstream party participating in the TTT transaction, and the downstream party's associated downstream contract identifier,
(4) the meter identification number that corresponds to the physical receipt location at which the TTT service is being performed, and
(5) such other information as may be required by Algonquin to effect the TTT service.

B. When TTT Party's nomination is confirmed as required by the General Terms and Conditions and subject to the limitations set forth in this Rate Schedule, such quantity shall constitute a TTT Scheduled Quantity at that TTT Point.

6.2 TTT Party is required to ensure that quantities transferred to the transferee(s) of TTT Party and scheduled under a Subject Service Agreement or another TTT
Service Agreement equal the quantities received from TTT Party's transferor(s) at each TTT Point on each Day.

6.3 On or before the nomination deadlines applicable to Algonquin's service under the Subject Service Agreement(s), TTT Party shall provide nomination data to Algonquin consistent with the requirements of Section 22 of the General Terms and Conditions, for each of TTT Party's TTT Points. Algonquin shall confirm that the nomination data received from TTT Party is equivalent to valid nominations under another TTT Service Agreement(s) or under Subject Service Agreements that will physically transport the quantities away from the TTT Point(s). The quantities determined through this process shall be referred to as the "TTT Scheduled Quantities."

6.4 After confirmation and scheduling, any changes to TTT Scheduled Quantities shall be effective only if a corresponding nomination change has been made under a Subject Service Agreement and the change has been confirmed by Algonquin, the affected point operator(s) and any other affected TTT Party.

6.5 If any nominated service under a Subject Service Agreement fails to be scheduled for any reason, then Algonquin shall notify TTT Party, and TTT Party shall revise the nomination data on a prospective basis to reflect the revised TTT Quantities.

6.6 TTT Party shall make personnel available to Algonquin at all times, for purposes of the nomination and confirmations to be performed hereunder.

6.7 With respect to the TTT service, Algonquin shall be entitled to rely upon the information set forth in the nomination of a TTT Party made in accordance with Section 22 of the General Terms and Conditions, and Algonquin shall have no obligation to verify the accuracy of such information.

7. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Algonquin's FERC Gas Tariff of which this Rate Schedule is a part are applicable to this Rate Schedule and are made a part hereof to the extent that such terms and conditions are not contradicted by any provision herein. For purposes of the applicable General Terms and Conditions of Algonquin's FERC Gas Tariff, references to Customer shall refer to the TTT Party.
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1. **DEFINITIONS**

The following terms and abbreviations, when used herein or in any agreement incorporating these General Terms and Conditions, are intended and used and shall be construed to have meanings as follows:

**Administrator.** The term "Administrator" shall mean the party designated by the Principals to act on their behalf under a Multiple Shipper Option Agreement.

**Algonquin.** The term "Algonquin" refers to Algonquin Gas Transmission, LLC in its role as a provider of transportation services.

**Backhaul.** The term "Backhaul" shall mean movement of gas from a Point of Receipt to a Point of Delivery such that the contractual direction of movement on the mainline is at all times and at all points along the path in a direction opposite to the actual flow of gas in the pipeline.

**Base Flow Path.** The term "Base Flow Path" shall mean the path determined by the assumed gas flow from the Primary Point(s) of Receipt to the Primary Point(s) of Delivery as such points are specified in the service agreement under a firm transportation rate schedule executed by Algonquin and Customer.

**Base Flow Path Quantity.** The term “Base Flow Path Quantity” for Rate Schedules AFT-1, AFT-E, AFT-1S, AFT-ES, and AFT-CL shall mean the quantity associated with a particular Base Flow Path as set forth on Exhibit A of the executed service agreement.

**Btu.** The term "Btu" or "British thermal unit" shall mean the amount of heat required to raise the temperature of one avoirdupois pound of pure water from 58.5º Fahrenheit to 59.5º Fahrenheit at a constant pressure of 14.73 dry psia.

**Business Day.** The term "Business Day" shall mean Monday through Friday excluding Federal Banking Holidays for transactions in the U.S. and similar holidays for transactions occurring in Canada and Mexico.

**Cash-out OBA Party.** The term "Cash-out OBA Party" shall mean any OBA Party who has executed an Operational Balancing Agreement which provides for the resolution of imbalances on such agreement pursuant to the imbalance resolution procedures (netting, trading and cash-out) set forth in Section 25 hereof.

**Cash-out Party.** The term "Cash-out Party" shall mean any Customer or other contractually liable entity who has an imbalance under any agreement with Algonquin, which imbalance will be resolved in accordance with Section 25 of the General Terms and Conditions. For the purposes of Section 25 hereof, the term "Cash-out Party" shall include the "Cash-out OBA Party."
Commission or FERC. The term "Commission" or "FERC" shall mean the Federal Energy Regulatory Commission or its predecessor agency, the Federal Power Commission, or any successor agency.

Company Use Gas. The term "Company Use Gas" shall mean the amount of gas used for fuel, including compressor and heater fuel; gas used for maintenance; line pack, gas lost as a result of force majeure events, the ownership of which cannot be reasonably identified; and unaccounted for gas.

Contract Year. The term "Contract Year" shall mean a period of one year commencing each November 1.

CT. The term "CT" or "CCT" shall mean Central Clock Time, which includes the recognition of Daylight Savings Time, whereas "CST" shall mean Central Standard Time.

Cubic Foot. The term "Cubic Foot" shall mean the volume of gas which occupies 1 Cubic Foot of space, measured according to Boyle's and Charles's Law for the measurement of gas under varying pressures with deviation therefrom as provided in Section 5 of these General Terms and Conditions and on the measurement basis likewise specified in such Section 5.

Customer. The term "Customer" shall mean the entity that has executed a Service Agreement with Algonquin under one or more of Algonquin's rate schedules.

Day. The term "Day" or "Gas Day" shall mean 9 a.m. to 9 a.m. (Central Clock Time).

Dekatherm. The term "Dth" or "Dekatherm" shall mean the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units. One "Dekatherm" of gas shall mean the quantity of gas which contains one Dekatherm of heat energy.

Discount Confirmation. The term "Discount Confirmation" shall mean an electronic mail (e-mail) message sent by Algonquin to Customer to confirm the terms of the discount granted pursuant to Section 45 of the General Terms and Conditions of Algonquin's FERC Gas Tariff.

Elapsed Prorata Capacity. The term "Elapsed Prorata Capacity" 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.

Hour. The term "Hour" shall mean a period of 60 consecutive minutes.

Imbalance Management Services. The term "Imbalance Management Services" shall mean the options available to Customers and OBA Parties for resolution of monthly imbalances prior to the application of the cash-out mechanism set forth in Section 25 of
the General Terms and Conditions or the in-kind imbalance resolution mechanism set forth in OBA Party’s executed Operational Balancing Agreement (“OBA”), as applicable. These options include, but are not limited to, OBA (where applicable), Park and Loan Service, and Imbalance Netting and Trading.

Intraday Nomination. The term “Intraday Nomination” is a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of that Gas Day.

Liquefiable Hydrocarbons. The term "Liquefiable Hydrocarbons" shall mean hexanes and heavier hydrocarbons (C6+), measured by the gallons per thousand cubic feet (GPM) of C6+.

Liquefiable Hydrocarbon Problem(s). The term "Liquefiable Hydrocarbon Problem(s)" shall mean actual or anticipated hydrocarbon liquid fallout on Algonquin’s system that Algonquin reasonably believes, based on available data, interferes with, or threatens to interfere with, the reliable operation of the system, in whole or in part, the operational integrity or safety of any part of the system, or the ability of Algonquin to meet its service obligations including obligations under Section 4 of these General Terms and Conditions.

Maximum Annual Transportation Quantity. The term "Maximum Annual Transportation Quantity" or "MATQ" shall mean the maximum quantity of natural gas in Dth which Algonquin is willing to receive for transportation for the account of Customer during any Contract Year at all Point(s) of Receipt specified in an executed Service Agreement, exclusive of any applicable Fuel Reimbursement Quantity. The MATQ under any Service Agreement that provides for an MATQ that is equal to 365 times the MDTQ shall be increased by 1/365 during any leap year. For all other agreements, the MATQ shall be increased during any leap year by an amount equal to the MATQ multiplied by the quotient derived by dividing the MDTQ by the MATQ.

Maximum Daily Delivery Obligation. The term "Maximum Daily Delivery Obligation" or "MDDO" shall mean the maximum quantity of natural gas which Algonquin is willing to deliver on any Day at any indicated Point(s) of Delivery as specified in an executed Service Agreement for the applicable period.

Maximum Daily Receipt Obligation. The "Maximum Daily Receipt Obligation" or "MDRO" shall mean the maximum quantity of natural gas which Algonquin is willing to receive on any Day at any indicated Point(s) of Receipt as specified in an executed Service Agreement for the applicable period, exclusive of any applicable Fuel Reimbursement Quantity.

Maximum Daily Transportation Quantity. The term "Maximum Daily Transportation Quantity" or "MDTQ" shall mean the maximum quantity of natural gas in Dth which Algonquin is willing to receive for transportation for the account of Customer on any Day.
at all Point(s) of Receipt specified in an executed Service Agreement for the applicable period, exclusive of any applicable Fuel Reimbursement Quantity.

Maximum Hourly Transportation Quantity. The term "Maximum Hourly Transportation Quantity" or "MHTQ" shall mean the maximum quantity of gas in Dth which Algonquin is willing to deliver to Customer during any Hour at all Points of Delivery specified in an executed Service Agreement. Such quantity shall equal 1/24th of the MDTQ for all Service Agreements except Service Agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, under which the MHTQ shall be equal to the MDTQ for the applicable period multiplied by .06.

Maximum Loan Quantity. The term "Maximum Loan Quantity" or "MLQ" shall mean the maximum quantity of gas permitted to be in Customer's account on any Day as Loan Service as specified in Exhibit(s) A to the Customer's PAL Service Agreement.

Maximum Park Quantity. The term "Maximum Park Quantity" or "MPQ" shall mean the maximum quantity of gas permitted to be in Customer's account on any Day as Park Service as specified in Exhibit(s) A to the Customer's PAL Service Agreement.

Mcf. The term "Mcf" shall mean 1,000 Cubic Feet of gas.

MMBtu. The term "MMBtu" shall mean one million Btu. One MMBtu equals one Dekatherm.

Monitoring Points. The term "Monitoring Points" shall mean those points of gas measurement on Algonquin’s system that are identified on Algonquin’s Web Site as Monitoring Points. The Monitoring Points shall monitor the levels of Liquefiable Hydrocarbons on Algonquin’s system. Algonquin shall post in the “Non-Critical Notices” portion of its Web Site notice of any change in location or number of the Monitoring Points 30 days in advance of such change.

Monitoring Segments. The term "Monitoring Segments" shall mean those portions of Algonquin’s system designated by Algonquin on its Web Site as being the portions of the system applicable to each Monitoring Point. Algonquin shall post in the “Non-Critical Notices” portion of its Web Site notice of any change to the Monitoring Segments 30 days in advance of such change.

Month. The term "Month" shall mean the period beginning at 9:00 a.m. Central Clock Time on the first "Day" of the calendar month and ending at the same hour on the first "Day" of the next succeeding calendar month.

Multiple Shipper Option Agreement. The term "Multiple Shipper Option Agreement" shall mean the service agreement, as set forth in the Forms of Service Agreements, executed by multiple Principals as Customer with a designated Administrator.
Negotiated Rate. The term "Negotiated Rate" shall mean a rate or rate formula mutually agreed upon by Algonquin and a Customer pursuant to Section 46 of the General Terms and Conditions with respect to rates, rate components, charges, or credits differing from the otherwise applicable Recourse Rate. The Negotiated Rate may be less than, equal to, or greater than the maximum Recourse Rate; may be less than the minimum tariff rate; may be a rate design other than the straight fixed-variable; and may include a minimum quantity.

Netting. The term "Netting" is used to describe the process of resolving imbalances for a Customer within an Operational Impact Area. There are two types of Netting:
   a. Summing is the accumulation of all imbalances above any applicable tolerances for a Customer or agent.
   b. Offsetting is the combination of positive and negative imbalances above any applicable tolerances for a Customer or agent.

For Algonquin, the definition in (a) above is applicable to the Imbalance Netting provisions set forth in Section 25.9 of the General Terms and Conditions.

New Interruptible Agreement. The term "New Interruptible Agreement" shall mean all agreements for interruptible transportation service other than those specified defined as an Old Interruptible Agreement.

Nomination Period. The term "Nomination Period" shall mean a period of time Customer includes in a nomination for gas service.

OBA Party. The term "OBA Party" shall mean the party that operates natural gas facilities which interconnect with Algonquin's facilities and who has executed an Operational Balancing Agreement with Algonquin.

Old Interruptible Agreement. The term "Old Interruptible Agreement" shall mean an agreement for interruptible transportation service that resulted from the conversion of entitlements under Algonquin's former Rate Schedules T-LG, STB and SS-III.

Operational Impact Area. The term "Operational Impact Area" shall describe a Transportation Service Provider's designation of the largest possible area(s) on its system in which imbalances have a similar operational effect. For Algonquin, the entire pipeline system shall comprise a single Operational Impact Area.

Posted Point of Restriction. The term "Posted Point of Restriction" shall mean any point or segment on Algonquin's pipeline system for which Algonquin has posted on its Web Site a notice requiring a reduction of scheduled capacity notice, a notice that the point or segment is scheduled at its capacity for the Day, or a notice of expected restrictions due to weather, operating conditions or maintenance.
Primary Point of Delivery. The term "Primary Point of Delivery" shall mean a Point of Delivery specified in a Service Agreement under a firm transportation rate schedule, at which Algonquin has a firm MDDO.

Primary Point of Receipt. The term "Primary Point of Receipt" shall mean a Point of Receipt specified in a Service Agreement under a firm transportation service rate schedule, at which Algonquin has a firm MDRO.

Principals. The term "Principals" shall mean a number of Customers that have designated a Principal or non-Principal to act as an Administrator on their behalf under a Multiple Shipper Option Agreement.

Quick Response. The term used to describe the NAESB WGQ EDI/EDM response used to communicate validation errors/warnings to a transaction submitted via the corresponding NAESB WGQ EDI/EDM transaction.

Rate Default. The term "Rate Default" shall mean, for index-based capacity release transactions, the non-biddable rate specified in Releasing Customer’s Notice to be used for invoicing purposes when the result of the index-based formula is unavailable or cannot be computed. If a Rate Default is not otherwise specified, the Rate Floor shall serve as the Rate Default.

Rate Floor. The term "Rate Floor" shall mean, for index-based capacity release transactions, the lowest rate specified in Releasing Customer’s Notice in dollars and cents that is acceptable to Releasing Customer. The Rate Floor may not be less than Algonquin’s minimum reservation rate or zero cents when there is no stated minimum reservation rate.

Recourse Rate. The term "Recourse Rate" shall mean the rates (other than a Negotiated Rate as defined in this Section 1) applicable to Part 284 services as effective from time to time.

ROFR Agreement. The term "ROFR Agreement" shall mean one of the following:

1. a firm service agreement under one of Algonquin's Open-Access Rate Schedules, provided that the capacity was not sold as Interim Capacity pursuant to Section 2.6 of these General Terms and Conditions, contracted at the applicable maximum rate for that service either (a) for service for twelve (12) consecutive months or more or (b) for more than one (1) year for a service which is not available for twelve (12) consecutive months;

2. a firm service agreement which would otherwise qualify as a ROFR Agreement, provided that the capacity was not sold as Interim Capacity pursuant to Section 2.6 of these General Terms and Conditions, but for the fact that Customer has been charged and paid a negotiated or discounted rate during the term of such firm service agreement if (a) Customer was charged and has paid a rate no less than the effective maximum Recourse Rate during the twelve (12) months...
immediately prior to the latest applicable date on which Customer or Algonquin is required to give notice of termination (notice deadline) of the firm service agreement, and (b) Customer pays a rate no less than the effective maximum Recourse Rate from such notice deadline until the termination date of the service agreement; provided, however, in no event shall the aggregate period of time contemplated by 2(a) and 2(b) extend more than twenty-four months prior to the termination date of the service agreement; or

(3) a firm service agreement under one of Algonquin's Open-Access Rate Schedules, provided that the capacity was not sold as Interim Capacity pursuant to Section 2.6 of these General Terms and Conditions, which firm service agreement is subject to a negotiated or discounted rate that Algonquin agrees, on a not unduly discriminatory basis, shall qualify as a ROFR Agreement, in which case such negotiated or discounted rate agreement shall expressly provide that the firm service agreement qualifies as a ROFR Agreement.

Third Party Account Administrator. The term "Third Party Account Administrator" shall mean a Title Transfer Tracking Service Provider other than Algonquin.

Title Transfer. The term "Title Transfer" shall mean the change of title to gas between parties at a location.

Title Transfer Tracking. The term "Title Transfer Tracking" shall mean the process of accounting for the progression of title changes from party to party that does not effect a physical transfer of the gas.

Title Transfer Tracking Service Provider. The term "Title Transfer Tracking Service Provider" shall mean a party conducting the Title Transfer Tracking activity.

Total Heating Value. The term "Total Heating Value" shall mean the number of Btu evolved 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 at a temperature of 60º 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.

2. REQUEST FOR TRANSPORTATION SERVICE

2.1 General. Specific requests for information concerning service(s) should be directed to:

Algonquin Gas Transmission, LLC
Attention: Marketing Department
P.O. Box 1642
Houston, Texas 77251-1642
Telephone: 1-800-827-LINK, or in Houston (713) 989-LINK

Algonquin shall provide the requested information orally, or in writing, as appropriate.

(a) Persons desiring a new service or an amendment to existing service under one of Algonquin's Rate Schedules set forth in Volume No. 1 of Algonquin's FERC Gas Tariff or desiring to execute an Operational Balancing Agreement in the form contained in Algonquin’s FERC Gas Tariff must be a LINK® System User pursuant to Section 40 of these General Terms and Conditions and must submit a request for service electronically via the LINK® System.

(b) A request for a new service or an amendment to an existing service shall contain the information identified on the Request for Service Information List posted on Algonquin's public Web Site, as such list may be amended from time to time. Requests to amend existing service that will affect a Customer's financial obligations to Algonquin, without regard to the impact of any applicable discount or Negotiated Rates, are referred to as Billing Amendments. Requests to amend existing service that will not affect a Customer's financial obligations to Algonquin, without regard to the impact of any applicable discount or Negotiated Rates, are referred to as Non-Billing Amendments. A Customer requesting a new service or an amendment to existing service shall also provide the following to Algonquin:

(1)Either at the time of the request for new service or an amendment to existing service is submitted to Algonquin or at the time of execution of the service agreement, such other information (if any), in writing, as may be required to comply with regulatory reporting or filing requirements; and

(2)Within ten (10) Business Days of the submittal of the request for new service or a request for a Billing Amendment, any credit information required to be provided pursuant to Section 3 of the General Terms and Conditions.
(c) Neither a request for new service nor a request that would result in a Billing Amendment shall be deemed to have been received by Algonquin until Customer has submitted such request online via the LINK® System and Algonquin has received the information required or requested pursuant to this Section 2.1 and Section 3 of the General Terms and Conditions. A request that would result in a Non-Billing Amendment shall be deemed to have been received on the date such request is submitted in the LINK® System. If Algonquin requests additional information or assurance in accordance with this Section 2.1, and such additional information or assurance is received within ten (10) Business Days of Algonquin's request, Customer's request for service shall be deemed to have been received on the date on which Customer's additional financial information is received by Algonquin; otherwise, Customer's request for service shall be rejected by Algonquin.

(d) If Customer does not submit the information required in Section 2.1(b) above within the required timeframes, the request for service shall be rejected by Algonquin. In addition, Algonquin shall reject any request for service created in the LINK® System by Customer, but not submitted to Algonquin within ninety (90) days of Customer's creation of such request.

2.2 Conditions of Firm Transportation. All firm transportation requests shall be subject to the following conditions:

(a) No request for transportation from a Point of Receipt or to a Point of Delivery shall be considered valid or be granted if to do so would impair Algonquin's ability to render existing services pursuant to Algonquin's firm service rate schedules.

(b) Subject to the provisions of (a) above, any amendment to any firm service agreement or exhibit to add or change Point(s) of Receipt or Point(s) of Delivery that requires additional capacity pursuant to an applicable firm rate schedule will be addressed in accordance with Sections 2.4 and 2.5.

(c) In certain situations, Algonquin may use an accounting meter number to represent a physical location on its pipeline system. A Point of Receipt and/or a Point of Delivery identified on Customer's executed service agreement(s) may be designated in the LINK® System by means of an accounting meter number and description that differs from the physical meter number and description specified on the service agreement. The same rights and obligations exist for both Algonquin and Customer regardless of whether a location is identified in Customer's executed service agreement by means of a physical meter number or an accounting meter number.
2.3 Execution of Service Agreement and Amendments. A service agreement and/or an amendment to an existing service agreement shall be executed, as specified in this Section 2.3, by Customer and Algonquin following the completion of the approval process.

(a) All interruptible service agreements, all interruptible service agreement amendments, all operational Balancing Agreements and all amendments to Operational Balancing Agreements that are executed in the form contained in this FERC Gas Tariff, all firm service agreements with a term of two (2) years or less and all amendments for firm service agreements with a term of two (2) years or less shall be executed electronically via the LINK® System by Customer and Algonquin; any agreement that is executed in full utilizing electronic transmission through the LINK® System is a valid and enforceable contract that is binding on all parties. All firm service agreements with a term of more than two (2) years, all amendments to firm service agreements with a term of more than two (2) years and all operational Balancing Agreements and all amendments to Operational Balancing Agreements that are executed in a form other than the form contained in this FERC Gas Tariff shall be executed in writing. A service agreement shall be executed and, if executed in writing returned to Algonquin, within fifteen (15) days of the tender of a service agreement by Algonquin.

(b) For each of Algonquin's firm Rate Schedules, the Service Agreement executed in writing or electronically via the LINK® System, as applicable, by Customer and Algonquin, the Multiple Shipper Option Agreement, if applicable, executed electronically via the LINK® System by Customer and Algonquin, the Exhibit(s) executed by Customer and Algonquin, the applicable rate schedule, the General Terms and Conditions of this FERC Gas Tariff, and any applicable Negotiated Rate or discount agreement will comprise the entire agreement between Customer and Algonquin.

(c) For each of Algonquin's interruptible Rate Schedules, the Service Agreement executed electronically via the LINK® System by Customer and Algonquin, the Exhibit(s) executed by Customer and Algonquin, the applicable rate schedule, the General Terms and Conditions of this FERC Gas Tariff, and any applicable Negotiated Rate or discount agreement will comprise the entire agreement between Customer and Algonquin.

2.4 Prospective Sale of Available Capacity and Minimum Terms of Any Awards.

(a) Unless otherwise agreed to by Algonquin, Customer may request available capacity for service to commence at a future date only within the following timeframes:
2. Request for Transportation Service

6.0.0

(1) For service with a primary contract term of less than ninety (90) Days, the requested service shall commence no later than five (5) days from the date the capacity is awarded;

(2) For service with a primary contract term equal to or longer than ninety (90) Days but less than one (1) year, the requested service shall commence no later than thirty (30) days from the date the capacity is awarded;

(3) For service with a primary contract term of one (1) year or longer, the requested service shall commence no later than one hundred and eighty (180) days from the date the capacity is awarded.

(b) Algonquin may consider, on a not unduly discriminatory basis, a request for firm service outside the time periods specified in Section 2.4(a), if the request involves any of the following circumstances:

(1) The request is for capacity pursuant to an open season initiated by Algonquin;

(2) The request involves capacity that is available due to the termination of an existing contract or the reduction of contracted volume under an existing contract;

(3) The request involves the modification or construction of facilities or the issuance of any necessary certificate authorization.

In the event that Algonquin allows a variation from the time periods specified in Section 2.4(a), in accordance with the circumstances described in Section 2.4(b)(1)-(3) or otherwise, the details of the variation will be included in the notice of the open season. In addition, unless otherwise agreed to by Algonquin, all awards of capacity must be for continuous service at a constant MDTQ and at maximum rates for the entire term of the service. Any deviations from the time periods specified in Section 2.4(a) shall only be done in a not unduly discriminatory manner consistent with Commission regulations.

2.5 Open Season for Available Capacity.

Upon receipt of a valid request for firm service pursuant to Section 2.4 with a term greater than thirty (30) Days for which Algonquin determines capacity is available to satisfy any such request, Algonquin shall post notices for solicitation of bids in an open season for service to start immediately or in the future. For valid requests for firm service pursuant to Section 2.4 with a term of thirty (30)
Days or less for which Algonquin determines capacity is available to satisfy any such request, Algonquin shall have the right, but shall not be obligated, to post notices for solicitation of bids in an open season on such capacity. In addition, Algonquin shall post notices for solicitation of bids in an open season for significant mainline or lateral capacity expansion projects on its system; provided, however, that an open season shall not be required for minor or auxiliary facilities, additions of receipt and/or delivery facilities or facility modifications which do not significantly alter the operational characteristics of the pipeline system.

For any open season conducted pursuant to this Section 2.5 for service with a term of less than ninety (90) Days, the open season will be conducted for a minimum of one (1) Business Day. For an open season under this Section 2.5 for service with a term equal to or greater than ninety (90) Days that is not otherwise associated with an expansion project, the open season will be conducted for a minimum of (i) five (5) Business Days from the posting of the notice of request for service for the capacity or (ii) seven (7) Business Days from the date the capacity in question was first posted as being available for contracting, whichever is the later calendar date. In no event shall the open season be for a period greater than one (1) calendar month. All open seasons shall end at 2:00 p.m. CT not less than one (1) Business Day prior to the date service would be available. The open season may include generally available unsubscribed capacity; capacity under expiring or terminating service agreements, to the extent such agreements do not have a right of first refusal or the subject Customer does not exercise the right of first refusal; and/or capacity resulting from one or more expansion projects. Algonquin will post available capacity on the LINK® System before it provides such information to any potential customer.

(a) The open season notice will include the following:

(1) the location of the capacity or proposed expansion;
(2) the total quantity, unless such quantity is not known or knowable;
(3) the date capacity is available or proposed to be available; and
(4) the dates on which the open season begins and ends.

Algonquin will attempt to structure any such open season posting pursuant to this Section 2.5 so as not to identify specifically the Customer or potential customer submitting the request and/or the specific location of the market(s) to be served.

(b) Bidders who desire service to be provided in whole or in part by the capacity posted pursuant to this Section 2.5 must submit bids for such
capacity in accordance with the instructions in the open season notice. To be a valid bid, a bid must comply with the bid requirements set forth in Section 2.5(c).

(c) To be a valid bid, the bidder must provide all information and data required by Sections 2.1 and 3 of these General Terms and Conditions. Algonquin reserves the right to reject any bid (i) at less than maximum rate, (ii) that may adversely affect the operational integrity of Algonquin's system, (iii) that seeks to change a Point or Points of Delivery specified in an executed Service Agreement at which the MHTQ equals the applicable MDTQ multiplied by 0.6, (iv) that does not satisfy all the terms of the applicable posting, and/ or (v) that contains terms and conditions other than those provided for in Algonquin's FERC Gas Tariff. If Algonquin rejects any request for available capacity posted pursuant to this Section 2.5, Algonquin will notify the bidder via e-mail of its reason(s) for such rejection.

All requests received during an open season for existing capacity remain binding on the requesting party through the end of the open season, unless withdrawn by the requesting party prior to the close of the open season; provided, however, a requesting party may withdraw its previous request and submit a request with a higher net present value during the open season, but neither the requesting party nor an affiliate thereof may submit a request with a lower net present value during the open season.

(d) At the close of the bidding period for any open season held pursuant to this Section 2.5, Algonquin shall select from among all valid bids the "best bid," as determined pursuant to this Section 2.5(d) and, if applicable, Section 2.5(e). Algonquin shall review all bids received from bidders that have not been rejected by Algonquin pursuant to Section 2.5(c) above, to determine which bid is the "best bid." For purposes of this Section 2.5, the "best bid" shall be the bid which yields to Algonquin the highest net present value. Net present value shall be calculated on the basis of the present value of the Reservation Charge per unit to Algonquin except that under a Negotiated Rate agreement with a minimum quantity, the net present value evaluation shall also include the fixed cost component of the usage revenue at the minimum quantity. In making the determination of net present value Algonquin shall apply the rate, as of the date of the review, stated in accordance with Section 154.501(d) of the Commission's Regulations, to all bids. In determining the highest net present value in connection with a Customer paying a Negotiated Rate higher than the maximum Recourse Rate, such Negotiated Rate Customer paying a rate higher than the maximum Recourse Rate will be deemed to be paying a rate equal to the maximum Recourse Rate.
In determining the "best bid," any request to add or change a Point of Receipt and/or Point of Delivery will be considered to have a net present value of zero (0) when comparing such requests to other requests for service and awarding capacity unless the Customer has agreed in conjunction with its request to (i) increase its MDTQ, (ii) increase the rate Customer is currently paying to Algonquin, if such rate is less than the applicable maximum rate, and/or (iii) extend the term of its firm service agreement in which case Algonquin shall consider the terms of such MDTQ increase, rate increase and/or contract extension when calculating the net present value. In the event that a request to add or change a Point of Receipt and/or a Point of Delivery results in a bid(s) that yields a net present value that is greater than zero ("Positive NPV Bid"), Algonquin shall award the capacity to the bid which yields to Algonquin the highest net present value. In the event that no Positive NPV Bid(s) is received by Algonquin or point capacity remains after Algonquin has awarded capacity to or among the Positive NPV Bid(s), Algonquin shall award the remaining point capacity to the firm Customer whose request to change its primary point(s) was received first-in-time by Algonquin.

If the winning bid is submitted by the requesting party and the requesting party has complied with the requirements of Sections 2.1 and 3.1 of these General Terms and Conditions, such winning bid shall be binding on the requesting party and a service agreement shall be executed pursuant to the requirements of Section 2.3 above. In the event Customer does not execute the service agreement pursuant to Section 2.3 above, Customer shall nonetheless be bound by the terms of its winning bid and the provisions of such service agreement as though it had been fully executed.

In the event the winning bidder is not the requesting party, the winning bidder must submit a request for service and the winning bidder shall be required to comply with the provisions of this Section 2; if the winning bidder does not execute the service agreement as required by Section 2.3, such winning bidder shall nonetheless be bound by the terms of its winning bid and the provisions of such service agreement as though it had been fully executed. If Algonquin is unable to approve the winning bidder's request for service, the capacity shall be awarded to the party that submits the next highest bid for the posted capacity, subject to the requirements of Section 3, unless, within one (1) Business Day of notification of the award of capacity, such party provides Algonquin with written notification that it rejects such award.

(e) The Risk of Default Factor shall be one (1) minus the differential between (i) the bidder's probability of default which is calculated by extrapolating to the maximum bid term to be used for bid evaluation purposes, using Standard & Poor's ("S&P") most recent "Cumulative Average Default
Rates by Rating Modifier" table ("S&P Table"), and (ii) the indicated probability of default for a bidder with a credit rating at or above the credit ratings listed in Section 2.5(e)(1) for a like term. In addition, the Risk of Default Factor shall only be applied to existing unsubscribed capacity and shall not be applied to any bidders that have a credit rating at or above those credit ratings listed in Section 2.5(e)(1) below, or whose parent company or guarantor has such a credit rating, provided that such parent company or guarantor has provided a guarantee for all of the obligations under the specific service agreement at issue pursuant to Section 2.5(e)(3)(a). The application of the Risk of Default Factor is governed by the following:

(1) A bidder with a credit rating below (a) an S&P rating of BBB-, (b) a Moody's rating of Baa3, (c) a Fitch rating of BBB-, or (d) a Dominion Bond Rating Service rating of BBB (Low), and who does not have a parent company or guarantor with a credit rating at or above those credit ratings just listed, provided that such parent company or guarantor provides a guarantee for all of the obligations under the specific service agreement at issue pursuant to Section 2.5(e)(3)(a), shall have a probability of default of zero for bidding purposes if such bidder indicates on its bid form that it will post sufficient collateral to equal the difference between (i) the net present value of the revenue in the bid, adjusted by the bidder's Risk Default Factor (assuming that it would be applied), and (ii) the net present value of a bid from a bidder with a minimum rating(s) equal to the above rating(s) herein with the same term, and such bidder does subsequently post such collateral as specified in Section 2.5(e)(7). For these bid evaluation purposes, collateral is defined as a letter of credit from a financial institution with at least an A- rating, or a cash deposit. Collateral will be capped, for purposes of the bid evaluation, at 50% of the revenue for the term included in the bidder's bid.

(2) For a bidder described in Section 2.5(e)(1) that does not indicate on its bid form that it will post such collateral, Algonquin will adjust the bid by applying the Risk of Default Factor derived from the S&P Table, as set forth in Section 2.5(e). Although a bidder under this Section 2.5(e)(2) is not posting sufficient collateral to satisfy the requirement set forth in Section 2.5(e)(1) above, such a bidder nevertheless may increase the net present value of its bid by posting some collateral but less than the amount described above in Section 2.5(e)(1) which must be in a form allowed under Section 2.5(e)(1) contemporaneously with submitting its bid in the open season, provided that such bidder cannot increase the net present value of the bid to greater than the net present value of the same
(3) The following rules will apply to ratings for purposes of evaluating multiple bids as part of the NPV bid evaluation process:

(a) Substitute Ratings. Algonquin will substitute the credit rating of a bidder's guarantor, or parent company, whichever is higher, provided that such guarantor or parent company has provided a guarantee for all of the obligations under the specific service agreement at issue and satisfies the requirements of Section 3.2(d).

(b) Equivalent Ratings. For any bidder that does not have, or whose parent company or guarantor does not have, a credit rating from one or more of the credit rating agencies noted above, Algonquin will assign an equivalent rating using a credit scoring methodology, applied on a non-discriminatory basis, provided such parent company or guarantor has provided a guarantee for all of the obligations under the specific service agreement at issue.

(4) Releasing Customers who propose to release capacity for a term of more than one year will have the option of specifying, pursuant to the capacity release procedures in Section 14.4, that the same NPV and Risk of Default processes as set forth herein will be used by Algonquin when evaluating bids by replacement customers for such released capacity. If a releasing shipper makes such an election, Algonquin will follow the time line for non-standard capacity release bid evaluation.

(5) All credit ratings shall be determined as of the last day of the Open Season for the pipeline capacity at issue, and in the event a bidder is rated by two or more rating agencies and there is a split rating between rating agencies, the lowest rating applies.

(6) For any bid submitted with a term of fifteen (15) years or longer, Algonquin will apply the 15-year Risk of Default factor from the S&P Table.

(7) It is a condition of any capacity award that the winning bidder post any collateral indicated on its bid form within five (5) Business Days of the notice of award, and Algonquin shall have the right to reject and/or terminate any award for failure of a bidder to do so. If a bidder fails to post such collateral, Algonquin shall have the right to require that such bidder post collateral contemporaneously with any future bid(s) or provide other credit assurance of a type
reasonably acceptable to Algonquin given the financial obligations associated with the particular award.

(8) Algonquin will provide interest on the collateral in accordance with Section 3.2.

(f) In the event Algonquin receives two (2) or more bids that qualify as the "best bid" (i.e., two (2) or more bids that produce an equivalent net present value), capacity subject to the open season will be allocated between or among such requests pro rata based on the MDTQ requested; provided, however, if one or more party(ies) is offered capacity on a prorata basis pursuant to this Section 2.5(f) and any party declines, by notifying Algonquin via the LINK® System within one (1) Business Day, to enter into a service agreement for such capacity, such party’s request shall be rejected by Algonquin and the capacity will be reallocated among any remaining requests which produce an equivalent net present value.

(g) Within twenty-four (24) hours after an award of capacity under this Section 2.5, Algonquin shall post on the LINK® System the best bid(s), showing the net present value for such best bid(s). In the event the best bid is a discounted rate that is less than the applicable maximum tariff rate and Algonquin accepts a bid at less than the maximum rate as the winning bid, then the bidder must submit a discount request online via the LINK® System and Algonquin must approve such discount request pursuant to the provisions of Section 45 of these General Terms and Conditions in order for such rate to become effective.

(h) To the extent Algonquin has (i) available capacity or (ii) capacity under expiring or terminating service agreements where such capacity is not subject to a right of first refusal or shipper does not exercise its right of first refusal, Algonquin reserves the right, but shall not be obligated, to reserve such capacity for a future expansion project. Algonquin may reserve capacity for a future expansion project for which an open season has been held or will be held within twelve (12) months of the date that Algonquin posts such capacity as being reserved. Any capacity reserved pursuant to this Section 2.5(h) must first be posted as available capacity on Algonquin's Web Site for at least five (5) Business Days. Any minimum terms and conditions imposed in an open season for capacity to be reserved must not materially differ so as to be more restrictive than the terms and conditions imposed in the expansion project open season. In the event that a subsequent expansion project open season imposes minimum terms and conditions that are materially different from the minimum terms and conditions imposed for the reserved capacity open season, Algonquin shall hold another open season for the reserved capacity that uses the same minimum terms and conditions as were imposed for the expansion project.
open season. Any capacity reserved under this Section 2.5(h) may be reserved for up to twelve (12) months prior to the time Algonquin files for certificate approval for proposed construction of a related project and thereafter until all expansion facilities are placed into service. Any capacity reserved under this Section 2.5(h) shall be made available, pursuant to the provisions of Section 2.6 of these General Terms and Conditions, for transportation service on an interim basis up to, but not including, the in-service date of the related expansion project(s). For such interim service, Algonquin reserves the right to limit any Customer's renewal rights that might otherwise apply to such service, including Customer's right of first refusal, if applicable. Any capacity reserved for a future expansion project that does not go forward for any reason shall be reposted as generally available within thirty (30) days of the date the capacity becomes available.

2.6 **Interim Service.** Capacity that is under contract for a future period pursuant to Section 2.4(b), Section 2.5(h) or this Section 2.6 may be made available on an interim basis up to the service commencement date of such contract for a future period ("Interim Capacity") and will be sold pursuant to the provisions of Section 2.5 above. The availability of Interim Capacity, including any limitations on the renewal rights for such capacity, will be posted on Algonquin's LINK® System in accordance with Section 2.5(a). Any party desiring to submit a bid for such Interim Capacity must submit its bid online via the LINK® System in accordance with the provisions of Sections 2.5(b) and 2.5(c). Such Interim Capacity shall be available for bidding for at least one (1) Business Day, as set forth in Section 2.5 above. Algonquin shall award the Interim Capacity and post a notice of the winning bid(s) on the LINK® System, in accordance with Sections 2.5(d) through 2.5(g). The right of first refusal will not be applicable to any service agreement entered into pursuant to this Section 2.6.
3. CREDIT EVALUATION

3.1 Standards Used in Appraising Credit. Algonquin's acceptance of a request for new service or a request resulting in a Billing Amendment under any Rate Schedule set forth in Algonquin's FERC Gas Tariff is contingent upon Customer satisfying a credit appraisal by Algonquin. Algonquin shall apply, on a non-discriminatory basis, consistent financial evaluation standards to determine the acceptability of Customer's overall financial condition. Algonquin shall not use any criteria, formula, ranking system or other methodology that would give any preference or advantage to an affiliate of Algonquin. Such credit appraisal and any further or ongoing credit appraisal as may be necessary shall be based upon the following information and criteria:

(a) Customer shall provide current financial statements, annual reports, 10-K reports or other filings with regulatory agencies which discuss Customer's financial status; a list of all corporate affiliates, parent companies and subsidiaries; and any reports from credit reporting and bond rating agencies which are available. Algonquin shall determine the acceptability of the Customer's overall financial condition.

(b) Customer shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted in accordance with Section 3.1(a) above must show that Customer's obligations are being paid on a reasonably prompt basis.

(c) Customer shall confirm in writing that Customer is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Customer who is a debtor in possession operating under Chapter 11 of the Federal Bankruptcy Act but only with adequate assurance that the service billing will be paid promptly as a cost of administration under the federal court's jurisdiction.

(d) Customer shall confirm in writing that Customer is not aware of any change in business conditions which would cause a substantial deterioration in its financial condition, a condition of insolvency, or the inability to exist as an ongoing business entity.

(e) Customers with an ongoing business relationship with Algonquin shall have no delinquent balances outstanding for services provided previously by Algonquin, and Customer must have paid its account according to the established terms and not made deductions or withheld payment for claims not authorized by contract.
Customer shall confirm in writing that no significant collection lawsuits or judgments are outstanding which would materially affect Customer's ability to remain solvent as a business entity.

3.2 Alternatives to Satisfaction of Credit Criteria. Upon notification by Algonquin that Customer has failed to satisfy the credit criteria or subsequently during the term of the service agreement no longer satisfies the credit criteria, such Customer may still obtain credit approval by Algonquin if it pays any outstanding balances due Algonquin for service rendered or has complied with Section 19.3 of the General Terms and Conditions with regard to such balances and elects to provide one of the following forms of security:

(a) an advance deposit;
(b) a standby irrevocable letter of credit, acceptable to Algonquin, issued by a financial institution that satisfies Algonquin's credit appraisal;
(c) security interest in collateral found to be satisfactory to Algonquin; or
(d) a guarantee, acceptable to Algonquin, by another person or entity that satisfies Algonquin's credit appraisal.

Algonquin shall provide such Customer with a written statement supporting Algonquin's request for the security amount requested at the time such security is requested. If pipeline rejects the security provided by Customer in accordance with Section 3.2(b)-(d) above, Algonquin shall re-issue its request for the security and include a written explanation for the rejection of the security previously provided by Customer. For a new Customer, or a Customer requesting a Billing Amendment, such security shall be calculated as follows:

(i) For firm service, an amount equal to the three (3) highest Months' worth of reservation charges at the applicable maximum Recourse Rate during a Contract Year;
(ii) For interruptible service, an amount equal to fifteen (15) Days of usage per Month for three (3) Months multiplied by the arithmetic average of the applicable commodity rate(s), multiplied by Customer's Maximum Daily Quantity;
(iii) For Park and Loan Service, the applicable maximum Park and Loan Daily Charge multiplied by Customer's Maximum Park Quantity or Maximum Loan Quantity, as applicable, plus the value of any quantity to be loaned to Customer;
(iv) For Capacity Release Umbrella agreements, Algonquin will accept any collateral amount submitted by Customer in relation to the request for the capacity release umbrella agreement; however, Customer will be required to comply with all of Algonquin's credit requirements at such time as
Customer submits a bid to acquire released capacity pursuant to Section 14 of the General Terms and Conditions of this FERC Gas Tariff;

(v) For Operational Balancing Agreements, an estimated imbalance quantity of 5,000 Dth per Month for three (3) Months multiplied by the average of Algonquin's cashout prices for the latest three (3) Months.

For an existing Customer, such security shall be equal to the highest three (3) Months of activity (based on usage of in-kind and loan agreements and the billed amounts, including cashout amounts, for all other agreements) for all of Customer's active service agreements during the previous twelve (12) Months. For the purposes of this section, the term "in-kind agreement" does not include fuel reimbursement.

With respect to a request for new service or a request resulting in a Billing Amendment, the security required by Algonquin pursuant to this Section 3.2 must be received by Algonquin within ten (10) Business Days of Algonquin's written notification to Customer, otherwise, such request will be rejected by Algonquin. With respect to an existing service agreement, Customer must tender (i) an advance payment equal to the highest Month of activity (based on usage of in-kind and loan agreements and the billed amounts, including cashout amounts, for all other agreements) for all of Customer's active service agreements during the previous twelve (12) Months within five (5) Business Days of Algonquin's notification, and (ii) the security required by this Section 3.2 within thirty (30) days of Algonquin's notification. If such advance payment or security is not received within the specified time period(s), then Algonquin may immediately suspend service, and may terminate Customer's service agreement(s) upon thirty (30) days' notice to Customer and the Commission.

Security in the form of an advance deposit shall accrue interest to the benefit of Customer from the date Algonquin receives such deposit. Interest on such advance deposits shall be calculated monthly at the most recently established 91-day Treasury Bill auction rate, as published in The Wall Street Journal. Alternatively, a Customer providing security in the form of an advance deposit may deposit such security into an interest-bearing escrow account, established by Customer at Customer's expense, to which account Algonquin shall have unrestricted access in the amount of an invoice upon presentment of an invoice for the payment of services provided to Customer.

3.3 Once every twelve (12) months, Customer shall provide Algonquin with updated financial information in the form required in Section 3.1 above. In addition, if Algonquin becomes aware that there may be a potentially material change in the financial condition of an existing Customer, Algonquin may require Customer to promptly resubmit all of the financial information required in Section 3.1 above. Algonquin shall re-evaluate Customer's creditworthiness based upon the updated information provided by Customer pursuant to Section 3.1 above. If Customer's
credit standing ceases to meet Algonquin's credit requirements at any time during the period of service, then Algonquin has the right to require security as specified in Section 3.2 above. If the credit standing of any entity issuing a letter of credit and/or guaranty in support of Customer's obligations ceases to meet Algonquin's credit appraisal at any time during the period of service, then Algonquin has the right to require Customer to provide replacement security that satisfies the requirements of Section 3.2 above.

3.4 In the event any information provided by Customer pursuant to Sections 2.1 and 3.1 with respect to a request for new service or a request that would result in a Billing Amendment materially changes prior to execution of the new service agreement or Billing Amendment, as applicable, or Customer learns that such information may materially change prior to execution of the service agreement or Billing Amendment, as applicable, Customer shall be obligated to provide written notice of such material changes to Algonquin. Algonquin shall require Customer to resubmit all of the financial information required in this Section 3 within ten (10) Business Days of the identification of the material change. If such updated financial information is not received within ten (10) Business Days, the request for service will be rejected by Algonquin. Algonquin shall re-evaluate Customer's creditworthiness based upon the updated information provided by Customer pursuant to this Section 3.
4. **QUALITY OF GAS**

4.1 **Composition of Gas.** The gas received by Algonquin for Customer's account, or delivered by Algonquin to Customer, shall be a combustible gas consisting wholly of, or a mixture of:

(a) Natural gas of the quality and composition produced in its natural state except that Algonquin may extract or permit the extraction of any of the constituents thereof except methane.

(b) Gas generated by vaporization of liquefied natural gas (LNG).

(c) Manufactured, reformed, synthesized, or mixed gas consisting essentially of hydrocarbons of the quality and character produced by nature in the petroleum, oil, and gas fields with physical properties such that when such gas is commingled with natural gas, the two become indistinguishable.

4.2 **Heating Value and Wobbe Number.** Gas received by Algonquin for Customer's account at each Point of Receipt, or delivered by Algonquin to Customer at the Point(s) of Delivery shall have a Total Heating Value of at least 967 Btu and not greater than 1,110 Btu per Cubic Foot of gas volume. The gas shall have a Wobbe Number of not less than 1314 nor greater than 1400 (calculated using Total Heating Value (THV)), dry, under standard conditions at 14.73 psia at 60 degrees Fahrenheit based on the following mathematical definition and in accordance with Section 5 of these GT&C:

\[ \frac{\text{THV}}{\sqrt{\text{SGgas}}} \]

Where:
- THV = Total Heating Value (Btu/standard Cubic Foot)
- SGgas = Specific Gravity
- Sqrt = Square Root of

4.3 **Objectionable Properties.** The gas received and delivered hereunder:

(a) Shall be commercially free from dust, gum, gum-forming constituents, and free liquids under continuous gas flow conditions at the pressure and temperature conditions in Algonquin's pipeline at a point approximately fifty feet in advance of the interconnection into Algonquin's system that is serving as the Point of Receipt and the meter inlet header located at or near any Point of Delivery;

(b) Shall not contain an amount of water vapor exceeding seven pounds per 1,000,000 Cubic Feet of gas volume as measured by methods in
accordance with accepted industry practice, or by other methods mutually agreed upon by Customer and Algonquin;

(c) Shall contain less than one-half (0.5) grain of hydrogen sulphide per 100 Cubic Feet of gas volume as measured by methods in accordance with accepted industry practice, such as, but not limited to, lead acetate testing, analysis by titrator, analysis by chromatograph, or by other methods mutually agreed upon by Customer and Algonquin;

(d) Shall not contain more than five (5) grains of total sulphur per 100 Cubic Feet of gas volume as measured by methods in accordance with accepted industry practice, such as, but not limited to, analysis by titrator, analysis by chromatograph, or by other methods mutually agreed upon by Customer and Algonquin;

(e) Shall be of a flowing temperature which is adequate to prevent interference with the proper operation of lines, regulators, meters and other equipment of Algonquin. Algonquin may impose restrictions on the temperature of the flowing gas that it receives when, in Algonquin's reasonable judgment, these restrictions are necessary to insure the proper operation of Algonquin's facilities;

(f) Shall not contain more than four percent (4.0%) by volume of a combined total of any non-hydrocarbon gas including, without limitation carbon dioxide, nitrogen, krypton, helium, argon, xenon, and neon. Within this volume of non-hydrocarbons, the total carbon dioxide content shall not exceed two percent (2.0%) by volume, and the total combined nitrogen and oxygen content shall not exceed two and three quarters percent (2.75%) by volume;

(g) Shall not have uncombined oxygen content in excess of two-tenths of one percent (0.2%) by volume; and

(h) Shall not contain, either in the gas or in any liquids with the gas, any microbiological organism, active bacteria or bacterial agent capable of contributing to or causing corrosion and/or operational and/or other problems. Microbiological organisms, bacteria or bacterial agents include, but are not limited to, sulfate reducing bacteria (SRB) and acid producing bacteria (APB). Tests for bacteria or bacterial agents shall be conducted on samples taken from the meter run or the appurtenant piping using American Petroleum Institute (API) test method API-RP38 or any other test method acceptable to Algonquin and Customer which is currently available or may become available at any time.
(i) The non-methane hydrocarbon content shall contain no more than twelve percent (12.0%) of ethanes and heavier hydrocarbons (C2+), of which the content of butanes and heavier hydrocarbons (C4+) shall not exceed one and one half percent (1.5%).

(j) Algonquin shall accept delivery of gas with a Liquefiable Hydrocarbons content equal to or less than 0.032 GPM C6+, provided that such gas satisfies all other applicable provisions of Algonquin’s FERC Gas Tariff. This Standard shall be referred to as Algonquin’s Liquefiable Hydrocarbons Safe Harbor, and the Liquefiable Hydrocarbons Safe Harbor correlates to a cricondentherm hydrocarbon dewpoint of approximately 15 degrees Fahrenheit. Absent a Liquefiable Hydrocarbon Problem, as defined in Section 1 of these General Terms and Conditions, Algonquin shall accept delivery of gas with a C6+ content greater than 0.032 GPM, provided that such gas satisfies all other applicable provisions of Algonquin’s FERC Gas Tariff.

4.4 Liquefiable Hydrocarbon Postings: If Algonquin reasonably believes, based on available data, that there is a Liquefiable Hydrocarbon Problem and Algonquin reasonably believes, based on available data, that a limit on Liquefiable Hydrocarbons is operationally necessary, Algonquin shall post on its Web Site a limit on Liquefiable Hydrocarbons (no lower than the Liquefiable Hydrocarbons Safe Harbor) for receipts on specified Monitoring Segments to cure or prevent hydrocarbon liquid fallout (“Liquefiable Hydrocarbon Limit”).

(a) Location: Algonquin shall establish such Liquefiable Hydrocarbon Limits at the point where liquid fallout occurs or is anticipated to occur if known and then to the receipt points upstream of that location within the Monitoring Segment where the fallout is occurring or is anticipated to occur, or to the entire Monitoring Segment if the point of liquid fallout or anticipated fallout is not known. If that will not correct the Liquefiable Hydrocarbon Problem, Algonquin shall apply Liquefiable Hydrocarbon Limits for each Monitoring Segment immediately upstream of the Monitoring Segment where the liquid fallout occurs or is anticipated to occur up to the nearest Monitoring Point that satisfies the Liquefiable Hydrocarbon Limit.

(b) Application: Any such Liquefiable Hydrocarbon Limit shall be applied uniformly to all receipt points in such Monitoring Segments upstream of the point where liquid fallout occurs or is anticipated to occur if known or uniformly to all receipt points in the entire such Monitoring Segment if the point of liquid fallout or anticipated fallout is not known. Algonquin’s analysis and posting of Liquefiable Hydrocarbon Limits shall not skip over any Monitoring Segment between the Liquefiable Hydrocarbon Problem and the furthermost upstream Monitoring Segment at which a
Liquefiable Hydrocarbon Limit is posted. Algonquin shall post Liquefiable Hydrocarbon Limits in a given Monitoring Segment only to the extent necessary, in Pipeline’s reasonable determination, to prevent or cure a Liquefiable Hydrocarbon Problem. Such posted Liquefiable Hydrocarbon Limits shall remain in effect no longer than necessary.

(c) Notice: Algonquin will provide as much notice of such a Liquefiable Hydrocarbon Limit as reasonably practicable, via Algonquin’s Web Site.

4.5 Verification of Gas Quality. At Algonquin's request, Customer shall use all reasonable efforts to obtain and provide to Algonquin all records regarding gas quality kept by upstream pipelines transporting the gas received by Algonquin for Customer's account. Customer shall use all reasonable efforts to ensure and verify for Algonquin that such upstream pipelines are using appropriate equipment to monitor compliance with the gas quality specifications applicable on Algonquin's system as stated in this Section 4.

4.6 Failure To Conform to Specifications. If the gas tendered by Customer for receipt by Algonquin, or offered for delivery by Algonquin to Customer, shall fail at any time to conform to any of the specifications set forth in this Section 4, then the party asserting such deficiency shall notify the other of such deficiency and may, at its option, refuse to accept nonconforming gas pending correction by Algonquin or Customer as appropriate. Algonquin may refuse to accept gas or may impose additional gas quality specifications and restrictions if Algonquin, in its reasonable judgment, determines that harm to Algonquin's facilities or operations could reasonably be expected to occur if it receives gas that fails to meet such additional specifications and restrictions.

4.7 Odorization. Algonquin shall have no obligation to odorize the gas tendered by Customer other than to conform to the regulations of appropriate governmental authorities having jurisdiction. However, if Algonquin odorizes the gas, such odorization shall be by use of a malodorant agent of such character as to indicate by a distinctive odor the presence of gas. Whenever odorized gas is delivered, the quality and specifications, as set forth in this Section 4, of such gas shall be determined prior to the addition of malodorant or with proper allowance for changes or additions due to such malodorant. Such odorization of the gas by Algonquin shall be for the purpose of detection of the gas only during the time when the gas is in the possession of Algonquin, prior to delivery to the Customer.

4.8 Waiver of Requirements. Algonquin may waive the requirements set forth in this Section 4 in order to allow Customer to tender or cause to be tendered gas which does not, when injected into Algonquin's pipeline, meet the quality specifications set forth in Section 4; provided that acceptance of such gas shall not adversely affect Algonquin's system facilities or operations, and further provided that once such gas has been blended, to the extent blending occurs, the commingled gas
stream at any delivery point on Algonquin's system shall be compliant with the quality specifications set forth in Section 4. Algonquin shall post on LINK® any waiver of Algonquin's gas quality requirements. Algonquin shall implement this Section 4.8 on a non-discriminatory basis and may cancel any waiver at any time if necessary to assure that the commingled gas stream is compliant with the quality specifications set forth in Section 4 at any delivery point on Algonquin's system.
5. **MEASUREMENT**

5.1 **Measurement Unit.** The unit of measurement of gas delivered by Algonquin to Customer shall be the MMBtu.

5.2 **Determination of MMBtu Delivered.** The number of MMBtu delivered at a Point of Delivery during any Day shall be determined as the product of (a) and (b) below, divided by 1,000:

(a) The volume of gas delivered during such Day at such point in Mcf, determined in accordance with the procedures set forth in Section 5.3 below.

(b) The Total Heating Value of the gas delivered during such Day at such Point of Delivery.

The Total Heating Value shall be measured, unless otherwise agreed by the parties concerned, by methods in accordance with accepted industry practice, such as, but not limited to, recording calorimeter(s) or gas chromatograph(s) located at appropriate points. The arithmetic average of the Total Heating Value recorded each 24-hour day or other periodic measurements within a shorter time frame as Algonquin shall select shall be used for computations.

5.3 **Determination of Volume Delivered.** The volume of gas delivered at any point shall be measured according to Boyle's and Charles's Law for the measurement of gas under varying pressures with deviations therefrom as provided in paragraph (g) below, on the measurement basis hereinafter specified, and shall be determined as follows:

(a) The unit of volume for the purpose of measurement shall be one Cubic Foot of gas at a temperature of 60° Fahrenheit and an absolute pressure of 14.73 pounds per square inch.

(b) The average absolute atmospheric pressure shall be assumed to be 14.4 pounds per square inch.

(c) The static pressure of the gas passing through the meters shall be determined by the use of electronic measurement equipment or by the use of another pressure recording device. The instantaneous static pressure measurements from the electronic measurement equipment or the arithmetic average of the temperature recorded each Day shall be used in computing gas volumes.

(d) The temperature of the gas passing through the meters shall be determined by the use of electronic measurement equipment or other temperature...
recording device. The instantaneous temperature measurements from the electronic measurement equipment or the arithmetic average of the temperature recorded each Day shall be used in computing gas volumes.

(e) The specific gravity of the gas flowing through the meters, when necessary for computing gas volumes, shall be measured by methods Algonquin deems to be in accordance with accepted industry practice, such as, but not limited to, recording gravitometer(s) or gas chromatograph(s) located at appropriate point(s). The arithmetic average of the specific gravity recorded each Day or other periodic measurements within a shorter time frame as Algonquin shall select may be applied to metering instruments to provide the volume computation.

(f) The volume of gas shall be determined in accordance with, but not limited to, the published recommendations of the American Gas Association and the American National Standards Institute as Algonquin deems to be in accordance with accepted industry practice.

(g) The deviation of the gas from Boyle's and Charles's Law shall be determined in accordance with, but not limited to, the published recommendations of the American Gas Association and the American National Standards Institute as Algonquin deems to be in accordance with accepted industry practice. The amount of nitrogen and carbon dioxide contained in the gas shall be determined at a time interval not exceeding three months for the purpose of determining the deviation factors.
6. MEASURING EQUIPMENT

6.1 Measuring Stations.

(a) At each Point of Receipt, Customer shall cause the operator of the connecting facilities to install, maintain, and operate, at that party's expense, a measuring station properly equipped with measuring equipment which shall consist of the necessary metering devices, designed and installed in accordance with, but not limited to, the published recommendations of the American Gas Association and the American National Standards Institute as Algonquin deems to be in accordance with accepted industry practice.

(b) At each Point of Delivery, Algonquin will install, maintain, and operate a measuring station properly equipped with measuring equipment which shall consist of the necessary metering devices, designed and installed in accordance with, but not limited to, the published recommendations of the American Gas Association and the American National Standards Institute as Algonquin deems to be in accordance with accepted industry practice. Customer shall reimburse Algonquin for all expenses incurred by Algonquin in connection with the design and construction of such measuring station, together with all associated piping and equipment.

6.2 Check Measuring Equipment. Customer may install, operate and maintain, at its own expense, such check measuring equipment as it shall desire, provided that such equipment shall be so installed, maintained and operated as not to interfere with the operation of Algonquin's measuring equipment at or near the Point of Delivery or other facilities or operations. Algonquin shall have access to such check measuring equipment at all reasonable hours, but the operation and maintenance thereof shall be done only by Customer.

6.3 Access to Equipment and Records. Both Customer and Algonquin shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's measuring equipment used in measuring deliveries hereunder. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within ten days after receipt thereof.

6.4 Test of Meters. The accuracy of all measuring equipment shall be verified by the operator at reasonable intervals, and, if requested, in the presence of representatives of either Customer or Algonquin, as applicable, but neither Customer nor Algonquin shall be required to verify the accuracy of such equipment more frequently than once in any thirty-day period. If either Customer
or Algonquin at any time observes an error in any such measuring equipment, it will promptly notify the other party, and the parties shall then cooperate to secure a prompt verification of the accuracy of such equipment.

6.5 Measuring Equipment Inaccuracy and Failure. The quantity of gas delivered hereunder during periods when the measuring equipment is out of service or registering inaccurately shall be estimated as follows:

(a) If, upon test, any measuring equipment, the readings of which are used in the registration, integration, or computation of quantities of gas hereunder, is found to be in error to the extent that it introduces not more than 2% measurement error in the individual measuring equipment affected, previous records of such equipment shall be considered accurate.

(b) If, upon test, any such above measuring equipment is found to be inaccurate to the extent that it causes the registered or computed quantities of the instrument(s) so affected to be in error by an amount exceeding 2% at a recording corresponding to the average hourly rate of flow through the instrument(s) in the period since the last preceding test, then any registrations, integration, or computed quantities of such instruments affected shall be corrected to zero error for any part of the period since the last test in which such error is known to have existed or which may be agreed upon by representatives of the parties. In case the period of such error is not known definitely or agreed upon, such correction shall be for a period of one-half of the elapsed time since the date of the last test, but not exceeding a correction period of sixteen days.

(c) If no tests have been performed to determine the degree of inaccuracy, or if the measuring equipment is out of service, the quantity of gas shall be estimated:

(1) By using the registration of any existing and agreed upon check equipment considered by parties concerned to be registering accurately, or, in the absence of such facilities,

(2) By correcting the error if the quantity or percentage of error is ascertainable by calibration, test, or mathematical calculation; or if neither of the two foregoing procedures is applicable,

(3) By relating the quantity of deliveries to deliveries during periods under similar conditions when the measuring equipment was deemed to have been registering accurately.

6.6 Preservation of Records. Each party shall preserve for a period of at least two years all test data, charts and other similar records.
7. **RECEIPT AND DELIVERY PRESSURES**

Gas shall be received by Algonquin for the account of Customer at each Point of Receipt at a pressure sufficient to enter Algonquin's system at the required rate of flow without requiring a reduction in the pressure on Algonquin's system unless Algonquin, in its reasonable discretion, expressly agrees to do so in the effective service agreement between Algonquin and Customer. In no event shall gas be received at a pressure in excess of Algonquin's Maximum Allowable Operating Pressure.

Algonquin shall deliver gas to Customer at each Point of Delivery at a pressure equal to or greater than the pressure set forth in the effective service agreement between Algonquin and Customer, unless otherwise agreed.
8. TERM OF EXECUTED SERVICE AGREEMENTS

8.1 Firm Service Agreements. The term to be covered by an executed firm service agreement shall be as mutually agreed at the time of execution.

8.2 Interruptible Service Agreements. The primary term to be covered by an executed interruptible service agreement shall be as mutually agreed at the time of execution.

8.3 Extension of Service Agreements. Prior to the expiration of the term of a Part 284 service agreement and prior to Algonquin's posting the availability of capacity under Algonquin's Right of First Refusal provisions, if applicable, Algonquin and Customer may mutually agree to an extension of the term of the service agreement (the exact length of which is to be negotiated on a case-by-case basis, in a not unduly discriminatory manner).
9. PREGRAANTED ABANDONMENT AND RIGHT OF FIRST REFUSAL

9.1 (a) Except as provided in Section 9.2 below, Algonquin shall have all necessary abandonment authorizations under the Natural Gas Act upon the (i) expiration of the contractual term, or (ii) the partial reduction of service levels pursuant to either any contractual right for such reduction or a right of first refusal under Section 9.2, or (iii) upon termination of the service agreement under an Open-access Rate Schedule.

(b) At the time that Customer provides to Algonquin a notice to terminate all or a portion of a ROFR Agreement pursuant to the applicable provision of such agreement, or at any time during the right of first refusal process set forth in this Section 9, Customer may, at its sole option, notify Algonquin that it shall not exercise its right to match the “best bid(s)” as determined pursuant to Section 9.2(e) herein. In the event that such notice is provided by Customer prior to the date on which the capacity is posted pursuant to Section 9.2(b) below, the right of first refusal process shall not be applicable to such capacity and the capacity shall be posted on Algonquin’s Informational Postings Web Site as available capacity and marketed pursuant to Section 2 of these General Terms and Conditions. If such notice is provided by Customer subsequent to the posting of the ROFR capacity and prior to the deadline for the submission of bids, as set forth in Sections 9.2(b) and 9.2(c), respectively, the right of first refusal process will continue to be applicable to such capacity, but Customer shall not have the right to match the best bid(s).

9.2 (a) If Customer satisfies the bid matching requirements of this Section 9.2, such Customer may retain its capacity with respect to any capacity under a Service Agreement which qualifies as a ROFR Agreement and which is to be unsubscribed as a result of (i) the expiration of the contractual term, (ii) the partial reduction of service levels, either pursuant to any contractual right for such reduction or pursuant to this Section 9, or (iii) the termination by either Customer or Algonquin of the service agreement, and continue to receive firm service under a new service agreement.

(b) Eleven (11) months prior to the effective date of the partial reduction pursuant to a ROFR Agreement or the termination of a ROFR Agreement, Algonquin shall post on the LINK® System and the Web Site the following information:

(1) the specific quantity available under the service agreement to be terminated,
(2) Point(s) of Receipt and Point(s) of Delivery,
(3) the date of expiration,
(4) the current maximum rate applicable to the service agreement to be terminated.

(c) Any party that desires service to be provided in whole or in part by the capacity posted pursuant to Section 9.2(b) ("ROFR Bidder") must submit, via the LINK® System, bids for such capacity as described in the applicable posting no later than the last day of the fourth month following the month in which Algonquin posts an applicable notice pursuant to Section 9.2(b). To be a valid bid, a bid must comply with the bid requirements set forth in Section 9.2(d). At the close of such bidding period, Algonquin shall select among the valid bids the "best bid(s)", as determined pursuant to Section 9.2(e), and shall relay the relevant terms of such "best bid(s)" to the Customer whose capacity has been posted pursuant to Section 9.2(b) within 3 Business Days of the close of such bidding period. If Customer elects to match, as determined by Section 9.2(f), the "best bid(s)", the Customer shall notify Algonquin of such election via the LINK® System and shall be entitled to retain its capacity and continue to receive firm service under a new service agreement which reflects the matching of the relevant contractual provisions of the "best bid(s)". If Customer does not match the "best bid(s)", then Customer's right of first refusal for the capacity shall terminate and Algonquin shall have all necessary abandonment authorization under the Natural Gas Act. In the event there is no "best bid(s)" for Customer to match, Section 9.2(g) shall determine whether Customer shall be entitled to retain its capacity and continue to receive service.

(d) To be a valid bid, the ROFR Bidder must provide all information and data required by Sections 2.1 and 3 of the General Terms and Conditions. Algonquin may reject all bids which would require Algonquin to discount below a rate and for discount period agreeable to Algonquin. If Algonquin rejects any bid(s) submitted pursuant to this Section 9.2, Algonquin will notify the ROFR Bidder(s) via email of its reason(s) for such rejection. In the event Algonquin agrees to accept such a discounted rate that is less than the applicable maximum tariff rate, Customer must submit a discount request online via the LINK® System and Algonquin must approve such request pursuant to the provisions of Section 45 of these General Terms and Conditions in order for such rate to become effective.

(e) Algonquin shall review all bids received pursuant to Section 9.2(c), which have not been rejected by Algonquin, to determine which bid is the "best bid(s)". For purposes of this Section 9, the "best bid(s)" shall be the bids which yields to Algonquin the highest net present value. Net present value shall be calculated on the basis of the present value of the Reservation Charge per unit to Algonquin except that under a Negotiated
Rate agreement with a minimum quantity, the net present value evaluation shall also include the fixed cost component of the usage revenue at the minimum quantity. In making the determination of net present value Algonquin shall apply the rate, as of the date of the review, stated in accordance with Section 154.501(d) of the Commission's regulations, to all bids.

(f) Upon receipt from Algonquin of the "best bid(s)". Customer shall have the right for a thirty (30) day period to notify Algonquin via the LINK® System that Customer is willing to match the "best bid(s)" for the capacity in whole or in part, made available by (i) the termination of such service agreement, (ii) expiration of the contract term by its own terms, or (iii) partial reduction pursuant to contractual right or the reduction of service level pursuant to a right of first refusal. Failure to submit a matching bid pursuant to this subsection (f) constitutes a non-revocable waiver of Customer's right to match the "best bid(s)" and termination of the right of first refusal for the capacity and Algonquin shall have all necessary abandonment authorization under the Natural Gas Act. In order to match the "best bid(s)". Customer must agree to a rate up to the maximum rate and contract term that provide Algonquin with at least the same net present value, for an equivalent amount of capacity, as the valid "best bid(s)"; provided, however, the maximum rate a Customer must match is the maximum rate Algonquin can charge for delivery to the Customer's Point(s) of Delivery under the Agreement which is subject to the Customer's right to match the "best bid".

(g) In the event Algonquin does not receive any bids pursuant to Section 9.2(c) or Algonquin rejects all bids received due to the fact that such bids were premised on rate discount levels or rate discount periods unacceptable to Algonquin, Algonquin and Customer may mutually agree upon the terms and conditions under which Customer shall be entitled to retain its capacity and continue to receive service. In no event shall Algonquin and Customer agree upon terms which yield to Algonquin a net present value less than any bid received pursuant to Section 9.2(c) and rejected by Algonquin and in no event shall Algonquin be obligated to sell capacity at less than the maximum lawful price for such capacity. In the event Algonquin and Customer have not reached agreement on the terms and conditions under which service will be extended, at Customer's election, such election to be exercised prior to the date which is five months before the termination date, Algonquin shall tender and Customer shall execute within 20 days of receipt, a new service agreement reflecting service for all or part of the contractual quantity, so long as such Customer agrees to pay the maximum rate; provided, however, if Algonquin and Customer mutually agree to a lower rate which yields to Algonquin a net present value equal to or greater than any bid received pursuant to Section
9.3 and rejected by Algonquin, the Customer does not have to pay the maximum rate to retain the capacity. The new service agreement must meet all the requirements of the definition of ROFR Agreement for Customer to continue to have the right of first refusal pursuant to Section 9.2.

(h) In the event Algonquin and Customer do not execute a new service agreement pursuant to the provisions of this Section 9.2, Algonquin shall have all necessary pregranted abandonment authorization as to any part of the contractual quantity which is not covered by a new service agreement.

9.3 Capacity which is not subject to the right of first refusal claim pursuant to this Section 9 shall be posted as available capacity on Algonquin's Web Site and shall be marketed in accordance with Section 2 of Algonquin's General Terms and Conditions.
10. **JOINT OBLIGATIONS**

When Customer under a service agreement consists of two or more persons, the obligations of such persons under such agreement shall be joint and several and, except as otherwise provided, any action provided to be taken by Customer shall be taken by such persons jointly.
11. **DISCRETIONARY WAIVER**

Algonquin may waive any of its rights hereunder or any obligations of Customer on a basis that is not unduly discriminatory; provided that no waiver by either Customer or Algonquin of any one or more defaults by the other in the performance of any provision of the service agreement between Customer and Algonquin shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.
12. MODIFICATION

No modification to the terms and provisions of any service agreement or exhibit thereto shall be or become effective except by the execution of a superseding service agreement or exhibit thereto.
13. SUCCESSORS IN INTEREST

Any company which shall succeed by purchase, merger, consolidation or otherwise to the properties substantially as an entirety, of Algonquin or of Customer, used or intended to be used for rendering gas service authorized by the Commission, shall be entitled to the rights and shall be subject to the obligations of its predecessors in title under a service agreement. In accordance with the capacity release procedures set forth in Section 14 below, Customer may, without relieving itself of its obligations under such agreement, assign any of its rights and obligations thereunder to another Customer, but otherwise no assignment of such agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of Algonquin, in the event of any assignment by Customer, or the consent thereto of Customer, in the event of an assignment by Algonquin. These restrictions on assignment shall not in any way prevent any party from pledging or mortgaging its rights under a service agreement as security for its indebtedness.
14. **CAPACITY RELEASE**

14.1 **General.** This Section 14 sets forth the sole means by which a Customer under any firm, open-access Part 284 Service Agreement ("Releasing Customer") may release its capacity rights under a Service Agreement ("Existing Service Agreement"). Subject to the following provisions, firm capacity rights shall be released to Algonquin for resale by it on a firm basis. This Section 14 is not applicable to any Customer whose Service Agreement has been executed pursuant to an individually certificated service.

14.2 **Capacity Eligible for Release.** A Customer under any firm rate schedule under Part 284 may release all or a part of its capacity under an Existing Service Agreement, on a full Day or a partial Day basis, on a permanent or temporary basis, subject to recall if so specified. A Releasing Customer may propose a Customer ("Prearranged Customer") to obtain the Releasing Customer's released capacity, provided the Prearranged Customer is an Approved Bidder, as set forth in Section 14.3 below.

In addition to releasing a portion of all capacity rights under a firm service agreement under Rate Schedules AFT-1, AFT-E, AFT-1S, AFT-ES and AFT-CL, capacity rights under these rate schedules may be released in discrete packages representing all or a fraction of the firm (within Base Flow Path) capacity rights in any segment of Algonquin's system, subject to the provisions regarding overlapping segments set forth in Section 48.1(B) of the General Terms and Conditions. Releasing Customers and Replacement Customers shall not have rights through this Section 14.2 to use overlapping segments where, in the overlapped portion, the total capacity released and scheduled exceeds the MDTQ for the original Service Agreement.

14.3 **Approved Bidders.** To qualify as an Approved Bidder, a party must have been accepted by Algonquin as satisfying the credit standards of Section 3 of these General Terms and Conditions and must continue to satisfy the credit standards of Section 3 when its bid is made and accepted. Algonquin shall process applications for credit approval with diligence. Names of Approved Bidders shall be placed on a list that is posted on the LINK® System. Any previously listed Approved Bidder that fails to continue to satisfy the standards of Section 3 shall be deleted from the list of Approved Bidders. Algonquin will waive the creditworthiness requirement on a non-discriminatory basis for Replacement and Prearranged Customers and permit them to submit bids, if the Releasing Customer provides Algonquin with a guarantee or other form of credit assurance in form and substance satisfactory to Algonquin of the financial obligations of the Replacement or Prearranged Customer with respect to the capacity being released by Releasing Customer for the specific transaction guaranteed by the Releasing Customer prior to the commencement of service to the Replacement or Prearranged Customer.
14.4 Release Procedures.

(a) Notice by Releasing Customer. A Releasing Customer wanting to release capacity shall notify Algonquin via the LINK® System (hereinafter called "Releasing Customer's Notice"). Releasing Customer's Notice may include reasonable terms and conditions that are objectively stated, not contrary to any applicable provision of these General Terms and Conditions, applicable to all potential bidders, and non-discriminatory, and shall include the following:

(1) Releasing Customer's Service Agreement number;

(2) whether the release is recallable or non-recallable; and if recallable, (i) whether the recall rights are on a full Day or a partial Day basis, (ii) the specifics of any recall right, (iii) whether the Releasing Customer's recall notification must be provided exclusively on a Business Day, and (iv) any reput methods and rights associated with returning the previously recalled capacity to the Replacement Customer. These rights and methods may be either: (i) reput must be accepted by the original Replacement Customer for the original terms of the release, or (ii) reput may be accepted at the option of the original Replacement Customer for the original terms of the release.

(3) the MDTQ, expressed as a numeric quantity, to be released, subject to the calculation described in Section 14.4(g) below;

(4) the primary Point(s) of Receipt and the MDRO associated with each such point, and/or the primary Point(s) of Delivery and the MDDO associated with such point, subject to the calculation described in Section 14.4(g) below, if the Releasing Customer is proposing to release any of its primary points and the associated point quantities;

(5) the period of the release;

(6) any other conditions of the release;

(7) identity of any Prearranged Customer;

(8) any minimum reservation charge requirements or, if Releasing Customer elects to entertain bids on a volumetric rate basis, the minimum reservation charge stated on a volumetric basis. For releases that become effective on or after July 30, 2008, the
Releasing Customer may specify a minimum Reservation Charge requirement which is in excess of the maximum tariff rate for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Algonquin is notified of the release.

(9) which one of the following methods is acceptable for bidding on Releasing Customer’s Notice:
- Non-Index based release – dollars and cents,
- Non-Index based release – percentage of maximum rate, or
- Index-based formula as detailed in Releasing Customer’s Notice.

The bids for Releasing Customer’s Notice must adhere to the method specified by Releasing Customer.

(10) for biddable releases, the bid evaluation method which shall be, at the Releasing Customer's option, one of the following three standard evaluation methods: highest rate, net revenue or present value; or an alternative Releasing Customer defined bid evaluation method, including, but not limited to, the application of the Risk of Default Factor as set forth in Section 2.5(e); provided, however, Releasing Customer's specified alternative bid evaluation method must be set forth with sufficient specificity that Algonquin's evaluation of the bids to determine the "best bid" is a purely ministerial matter that does not require any discretionary exercise of judgment by Algonquin; in addition, Releasing Customer must specify the Tie Break Method that Algonquin will apply to award capacity among multiple bids that yield the same value;

(11) whether contingent bids may be submitted and if so, the date by which each contingent bidder will be required to satisfy or eliminate the contingency if Releasing Customer elects to allow the bidder additional time beyond the time period specified in Section 14.4(b) to satisfy or eliminate the contingency;

(12) the Business Day on which the Bid Period will expire, if the Releasing Customer desires to establish a Bid Period that is longer than that determined in Section 14.4(b);

(13) the expiration of the period within which the Prearranged Customer may match the best bid, if the Releasing Customer desires to establish a match period that is longer than that determined in Section 14.4(b). Releasing Customer shall not be
allowed to specify an extension of the original Bid Period or the Prearranged deal Matching Period without posting a new release;

(14) e-mail address for the Releasing Customer contact person. It is the Releasing Customer's responsibility to update e-mail address information provided to Algonquin as necessary;

(15) the recall notification period(s), as identified in Section 14.4(h) below, that will be available for use by the parties;

(16) the priorities that Algonquin is authorized to utilize in the event that overlapping nominations submitted by the Releasing Customer and any Replacement Customer are in excess of the Releasing Customer's original MDTQ;

(17) for temporary capacity releases, whether the Releasing Customer will allow the Replacement or Prearranged Customer to amend the Primary Point(s) of Receipt and/or Primary Point(s) of Delivery after the capacity is awarded;

(18) whether the Prearranged Customer is affiliated with the Releasing Customer;

(19) whether the Releasing Customer will allow the Replacement or Prearranged Customer to re-release the capacity acquired from the Releasing Customer;

(20) whether the proposed release is to an asset manager as part of an asset management arrangement as defined in Section 284.8(h)(3) of the Commission's regulations or to a marketer participating in a state-mandated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations, and, if the proposed release is part of an asset management arrangement, the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect,

(21) For releases that become effective on or after July 30, 2008, the maximum and/or minimum rates specified by Releasing Customer may exceed the maximum tariff rate for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Algonquin is notified of the release.

Releasing Customer may elect not to reveal minimum conditions to anyone other than Algonquin.
(b) Posting Requirements and Bid Periods for Standard Releases Subject to Bidding. The capacity release timeline applies to all parties involved in the capacity release process provided that: 1) all information provided by the parties to the transaction is valid and the Replacement Customer has been determined to be creditworthy before the capacity release bid is tendered, 2) for index-based capacity release transactions, Releasing Customer has provided Algonquin with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and 3) there are no special terms or conditions of the release. Algonquin shall complete the capacity release process in accordance with the timeline set forth in subsection (c) below if Releasing Customer’s Notice includes unfamiliar or unclear terms and conditions (e.g., designation of an index not supported by Algonquin). Algonquin shall post offers and bids, including prearranged deals, upon receipt; provided, however, offers and bids must be complete before posting. Only posted offers and bids will be available electronically. If a Releasing Customer requests a later posting time, Algonquin shall support such request insofar as it comports with the standard timeline set forth in this Section 14.4(b). The term "Bid Period" shall mean the period during which bids may be submitted, commencing upon the posting of Releasing Customer's Notice and ending at the time specified below.

(1) For biddable releases (one year or less),

- Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- The Bid Period ends at 10:00 a.m. on the same or a subsequent Business Day.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the award is posted by 11:00 a.m.
- 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 p.m. Noon.
- The contract is issued within one Hour of the award posting (with a new contract number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Sections 22 and 23 of the General Terms and Conditions; however, in no circumstances will gas flow prior to the effective date of the release as specified in Releasing Customer's Notice.
(2) For biddable releases (more than one year),
- Offers shall be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- The Bid Period shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best bid is made, and ties are broken.
- If no match is required, the evaluation period ends and award is posted by 11:00 a.m.
- 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 p.m. Noon.
- The contract is issued within one Hour of the award posting (with a new contract number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Sections 22 and 23 of the General Terms and Conditions; however, in no circumstances will gas flow prior to the effective date of the release as specified in Releasing Customer’s Notice.

(c) Timeline for Non-Standard Releases

For the capacity release business process timing model, only the following methodologies are required to be supported by Algonquin and provided to Releasing Customers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are (1) highest rate, (2) net revenue, and (3) present value. For index-based capacity release transactions, Releasing Customer shall provide the necessary information and instructions to support the chosen methodology. Other choices of bid evaluation methodology (including other Releasing Customer defined evaluation methodologies) or any other special terms or conditions, will be accorded the same timeline evaluation treatment; provided, however, one additional Business Day will be added to the evaluation period. Such extended evaluation period shall cause gas flow to be at least one Day later than gas could flow under the timeline set forth in Section 14.4(b)(1) or Section 14.4(b)(2).

(d) Notice by Algonquin. Releasing Customer's Notice, including the identity of the Releasing Customer shall be posted on the LINK® System and by electronic data interchange until the expiration of the applicable Bid Period; however, Algonquin shall not post any minimum conditions that
Releasing Customer has elected not to disclose. At the Releasing Customer's request Algonquin may, but shall not be obligated to take other action to market any capacity which the Releasing Customer desires to release, and the Releasing Customer may search for any party to take its capacity.

(e) Bids. Only Approved Bidders that have executed a Capacity Release Umbrella Agreement, the form of which is contained in this tariff, may bid on capacity which the Releasing Customer proposes to release. Bids shall be made on the LINK® System during the Bid Period on an open bidding basis, provided that the bidders' names shall not be posted except for the winning bidder. The Approved Bidder's bid submitted via the LINK® System shall include an e-mail address for at least one contact person, which will not be posted. It is the Approved Bidder's responsibility to update e-mail address information provided to Algonquin as necessary. Bids must meet the minimum terms of Releasing Customer's Notice in order to be considered a valid bid. Invalid bids shall be rejected. For releases that become effective on or after July 30, 2008, an Approved Bidder may submit a bid in excess of the maximum tariff rate for the applicable service if (i) the term of the proposed release is one (1) year or less, and (ii) the effective date of the proposed release is on or before one (1) year from the date on which Algonquin is notified of the release. Algonquin shall select the bid to be accepted in accordance with Section 14.5(c). If permitted by Releasing Customer's Notice, and subject to the provisions thereof, the bidder may submit a contingent bid by including the details of the contingency in its bid; provided, however, that such contingency must not be contrary to any applicable provision of these General Terms and Conditions.

(f) If there are awards of capacity for which there have been multiple bids meeting minimum conditions, the best bid shall be awarded first, until all offered capacity is awarded.

(g) Partial Day Release Quantity

(1) The daily contractual entitlement that can be released by a Releasing Customer for a partial Day release is limited to the lesser of:

(i) the quantity contained in the Releasing Customer's Notice submitted by the Releasing Customer; or

(ii) a quantity equal to the difference between the MDTQ for the contract to be released by the Releasing Customer and the quantity scheduled for that period of the Day prior to the effective time of the release of the capacity, based upon the elapsed-prorated-scheduled quantity.
This allocated daily contractual entitlement shall be used for purposes of nominations, billing, and if applicable, for overrun calculations.

(2) If on the Day of a partial Day release the Releasing Customer's existing scheduled quantity exceeds the MDTQ remaining on the original contract after the award of the partial Day release, then the Releasing Customer must reduce its nominated quantity to a quantity that is equal to or less than the MDTQ remaining on the original contract.

(h) Recall Provisions

Releasing Customer's rights to recall capacity on a full Day or partial Day basis shall be stated clearly in Releasing Customer's Notice. The purchase of gas by a Releasing Customer from a Replacement Customer at the Releasing Customer's city gate point(s) shall not be deemed to be the exercise of a recall by the Releasing Customer.

The Releasing Customer shall provide capacity recall notification to Algonquin via the LINK® System. The recall notification shall specify the recall notification period for the specified effective Gas Day, as well as any other information needed to uniquely identify the capacity being recalled.

Algonquin shall support the following recall notification periods for all released capacity subject to recall rights:

(i) Timely Recall Notification:
   (a) A Releasing Customer recalling capacity should provide notice of such recall to Algonquin and the first Replacement Customer no later than 8:00 a.m. on the day that Timely Nominations are due;
   (b) Algonquin shall provide notification of such recall to all affected Replacement Customers no later than 9:00 a.m. on the day that Timely Nominations are due;

(ii) Early Evening Recall Notification:
   (a) A Releasing Customer recalling capacity should provide notice of such recall to Algonquin and the first Replacement Customer no later than 3:00 p.m. on the day that Evening Nominations are due;
   (b) Algonquin shall provide notification of such recall to all affected Replacement Customers no later than 4:00 p.m. on the day that Evening Nominations are due;
(iii) Evening Recall Notification:
(a) A Releasing Customer recalling capacity should provide notice of such recall to Algonquin and the first Replacement Customer no later than 5:00 p.m. on the day that Evening Nominations are due;
(b) Algonquin shall provide notification of such recall to all affected Replacement Customers no later than 6:00 p.m. on the day that Evening Nominations are due;

(iv) Intraday 1 Recall Notification:
(a) A Releasing Customer recalling capacity should provide notice of such recall to Algonquin and the first Replacement Customer no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
(b) Algonquin shall provide notification of such recall to all affected Replacement Customers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due; and

(v) Intraday 2 Recall Notification:
(a) A Releasing Customer recalling capacity should provide notice of such recall to Algonquin and the first Replacement Customer no later than 12:00 p.m. on the day that Intraday 2 Nominations are due;
(b) Algonquin shall provide notification of such recall to all affected Replacement Customers no later than 1:00 p.m. on the day that Intraday 2 Nominations are due.

(vi) Intraday 3 Recall Notification:
(a) A Releasing Customer recalling capacity should provide notice of such recall to Algonquin and the first Replacement Customer no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;
(b) Algonquin shall provide notification of such recall to all affected Replacement Customers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

For recall notification provided to Algonquin prior to the recall notification deadline specified above and received between 7:00 a.m. and 5:00 p.m., Algonquin shall provide notification to all affected Replacement Customers no later than one Hour after receipt of such recall notification. For recall notification provided to Algonquin after 5:00 p.m. and prior to 7:00 a.m., Algonquin shall provide notification to all affected Replacement Customers no later than 8:00 a.m. after receipt of such recall notification.

Algonquin's notices of recalled capacity to all affected Replacement Customers shall be provided via the LINK® System, along with written notice via e-mail communication to those Replacement Customer contact
person(s) identified in the Replacement Customer's bid submitted pursuant to Section 14.4(e) of these General Terms and Conditions. Such notices shall contain the information required to uniquely identify the capacity being recalled, and shall indicate whether penalties will apply for the Gas Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from Algonquin, each affected Replacement Customer shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Customer will be solely responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall. Replacement Customers involved in re-release transactions may receive notice slightly after the first Replacement Customer receives notice. The recalling Releasing Customer may nominate the recalled capacity consistent with the applicable nomination cycle, as defined in Section 22.5 of these General Terms and Conditions.

For recall notifications provided to Algonquin during the Timely, Early Evening or Evening recall notification period, the recall shall be effective as of the beginning of the specified effective Gas Day. For recall notifications provided during the Intraday 1, Intraday 2, or Intraday 3 recall notification period, the recall shall be effective at 2:00 p.m., 6:00 p.m., or 10:00 p.m., respectively, on the specified effective Gas Day.

(i) Partial Day Recall Quantity

The daily contractual entitlement that can be recalled by a Releasing Customer for a partial Day recall is a quantity equal to the lesser of:

(1) The quantity specified in the Releasing Customer's notice to recall capacity; or

(2) The difference between the quantity released by the Releasing Customer and the Elapsed Prorata Capacity.

In the recall notification provided to Algonquin by the Releasing Customer, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. In the event of an intraday capacity recall, Algonquin shall determine the allocation of capacity between the Releasing Customer and the Replacement Customer(s) based upon the Elapsed Prorata Capacity.

The amount of capacity allocated to the Replacement Customer(s) shall equal the original released quantity less the recalled capacity. This allocated daily contractual quantity shall be used for purposes of nominations, billing, and if applicable, for overrun calculations. As a result of the allocation of capacity described in this section, Algonquin
shall not be obligated to deliver a combined quantity to the Releasing Customer and the Replacement Customer(s) that is in excess of the total daily contract quantity of the release.

(j) **Reput Provisions**

Algonquin shall support the function of reputting by the Releasing Customer. The Releasing Customer may reput previously recalled capacity to the Replacement Customer pursuant to the reput rights and methods identified in the Releasing Customer's Notice to release capacity, as required by Section 14.4(a)(2) above. When capacity is recalled, such capacity may not be reput for the same Gas Day. The deadline for the Releasing Customer to notify Algonquin of a reput of capacity is 8:00 a.m. to allow the Replacement Customer to submit timely nominations for gas to flow on the next Gas Day.

14.5 **Effect of Notices and Bids.**

(a) The posting of Releasing Customer's Notice shall constitute an invitation to entertain bids on the Releasing Customer's firm transportation contract rights and obligations pursuant to its terms and the terms herein, but shall not constitute an offer by Algonquin. A bid shall constitute an offer by the bidding party to accept from Algonquin such rights and obligations, and shall remain open until Algonquin accepts the bid or a competing bid, unless retracted by the bidder prior to the close of the Bid Period by any means that meets the requirements of the tariff and the Releasing Customer's terms and conditions. Bids will be legally binding on the Replacement Customer or Prearranged Customer until notice of withdrawal is received by Algonquin via the LINK® System; provided, however, bids cannot be withdrawn after the bid period ends. Bids may be revised during the Bid Period, and shall be deemed received as of the time of the last revision; provided, however, that no bidder shall maintain more than one bid for the same capacity. No bid may be resubmitted or revised in order to submit a lower bid.

(b) Releasing Customer's Notice shall constitute authorization for Algonquin to accept bids by posting notice of such acceptance on the LINK® System, and where applicable, by electronic data interchange. Releasing Customer may withdraw Releasing Customer's Notice at any time prior to the close of the Bid Period associated with Releasing Customer's Notice, where unanticipated circumstances justify the withdrawal and no bids meeting the minimum conditions have been made. The Releasing Customer's notice will be legally binding on the Releasing Customer until notice of withdrawal is received by Algonquin via the LINK® System. The reason for withdrawal must be submitted to Algonquin for posting.
(c) Algonquin shall evaluate bids in accordance with the bid evaluation method identified, pursuant to Section 14.4(a)(10) of these General Terms and Conditions, in the Releasing Customer's Notice.

(1) If there is only one valid bid, Algonquin shall award the capacity to the bidder that submitted such bid, subject to any Prearranged Customer's exercise of its matching rights.

(2) If there is more than one valid bid, then, subject to any Prearranged Customer's exercise of its matching rights, Algonquin shall award the capacity to the bidder whose bid yields the highest value based on the bid evaluation method specified in the Releasing Customer's Notice, taking into account the price, volume and term of the bid, as applicable. If more than one bid yields the same value under this subsection (2), Algonquin shall award the capacity according to the method specified in the Releasing Customer's Notice ("Tie Break Method") as a means for awarding the released capacity among multiple equal bids.

(3) For purposes of determining the value of a bid, Algonquin shall use only the reservation charge (including reservation charges stated on a volumetric basis). If the bid evaluation method specified by the Releasing Customer is present value, Algonquin shall use a discount rate of ten (10) percent.

(4) In the event of a tie, a bid with no contingency shall be accepted over a bid with a contingency even if the bid with no contingency was received later in time.

(5) If the winning bid is a contingent bid, the bidder that submitted such contingent bid will be required to satisfy or eliminate any contingency in accordance with the capacity release timeline set forth in Section 14.4(b) or in the Releasing Customer's Notice, as applicable, and shall confirm to Algonquin via e-mail to link-help@enbridge.com that the contingency has been satisfied or eliminated. In the event that such bidder fails to satisfy or eliminate its contingency pursuant to this subsection (5), the capacity will be awarded to the next highest bidder(s) as determined pursuant to this Section 14.5(c).

(d) In the event that the Prearranged Customer desires to exercise its right to match the "best bid," the Prearranged Customer must notify Algonquin via the LINK® System.
(e) Algonquin shall not award capacity release offers to the Replacement Customer until and unless the Replacement Customer meets Algonquin's creditworthiness requirements applicable to all services it receives from Algonquin, including the service represented by the capacity release.

(f) Algonquin shall post on the LINK® System and by electronic data interchange the winning bid and the identity of the winning bidder immediately upon accepting the winning bid.

14.6 Effect of Acceptance of Bid. Algonquin's acceptance of a bid shall, subject to the other provisions hereof, result in and constitute a binding agreement (a) between Algonquin and the Releasing Customer pursuant to which the Releasing Customer releases the rights described in the accepted bid without being released from any of its obligations under the Existing Service Agreement (the "Release") and (b) between Algonquin and the bidder whose bid was accepted ("Successful Bidder") pursuant to which the Successful Bidder acquires from Algonquin all of the Releasing Customer's released rights under its firm Service Agreement with Algonquin that are described in the accepted bid and the Successful Bidder agrees to perform timely and irrevocably all obligations under the terms of the Service Agreement applicable to the released capacity, in the form of an addendum to the Capacity Release Umbrella Agreement incorporating the specific terms of the accepted bid ("New Service Agreement"). Algonquin shall tender electronically to the Successful Bidder a New Service Agreement in the form of an Addendum to the Capacity Release Umbrella Agreement incorporating the terms of the accepted bid. A party that acquires released capacity from Algonquin under this Section 14 shall be a Customer for all purposes under this tariff, including capacity release under this Section 14, subject to the re-release rights specified by Releasing Customer pursuant to Section 14.2(a)(19) above. Algonquin will notify the Releasing Customer with recall rights of the name of new Replacement Customers who subsequently obtain all or a portion of such capacity after the Addendum to the Capacity Release Umbrella Agreement is tendered. Nothing in this Section 14 shall operate as a waiver of any other requirements of this tariff applicable to Customers, including requirements regarding Customer eligibility and scheduling of service. Upon acceptance of its bid by Algonquin a Replacement Customer may schedule service and gas may flow upon the effective date of the release, subject to compliance with the other provisions of this tariff.

14.7 Obligations of Releasing Customer and Other Matters. Notwithstanding anything to the contrary herein, in any Releasing Customer's Notice, in any bid or accepted bid, in any Release, in any New Service Agreement or otherwise:

(a) The Release or the New Service Agreement relating thereto shall not constitute a release of any of the obligations of the Releasing Customer under the Existing Service Agreement and the Releasing Customer shall remain fully liable for all of those obligations, including, without
limitation, all reservation charges, reservation surcharges, and other fixed
costs owing under that Service Agreement in respect of capacity rights
released pursuant to the Release, as if the Release had never been entered
into; provided, however, Algonquin shall credit the Releasing Customer
with all reservation charges, reservation surcharges, and other fixed costs
("Fixed Charges"), but not charges related to usage, actually paid by a
Replacement Customer and received by Algonquin which are owed in
respect of the capacity rights released by that Releasing Customer and
acquired by that Replacement Customer from Algonquin under a New
Service Agreement pursuant to Releasing Customer's release (but not
pursuant to subsequent releases of the same capacity), even if greater than
the Fixed Charges obligation of the Releasing Customer, up to the
maximum rate for the released capacity. Under Negotiated Rate
agreements, the Releasing Customer is obligated to pay Algonquin the
difference by which the Negotiated Rate exceeds the rate paid by the
Replacement Customer. Under Negotiated Rate agreements, Algonquin
and the Releasing Customer may agree upon payment obligations and
crediting mechanisms which may vary from or are different from those set
forth in Algonquin's capacity release provisions. Replacement Customer
under a New Service Agreement shall be liable to Algonquin for all
obligations incurred thereunder, including Fixed Charges and charges
related to usage. Any Replacement Customer shall be entitled to receive
refunds to the extent the rate paid by it is subsequently determined to be in
excess of a just and reasonable rate; provided, however, that if the
Releasing Customer is subject to a discounted rate and received credits
attributable to Fixed Charges that Algonquin is required to refund,
Algonquin shall be entitled to reverse such credits and shall be required to
refund such amounts to the Replacement Customer only to the extent
actually collected back from the Releasing Customer. In addition, for
releases that become effective on or after July 30, 2008, any rate paid by a
Replacement Customer in any capacity release transaction with a term of
one (1) year or less which is not subject to the maximum rate cap is
deemed to be a final rate and is not subject to refund if the effective date
of the release is on or before one (1) year from the date on which
Algonquin was notified of the release.

(b) The service agreement between Algonquin and each Releasing Customer
shall remain in full force and effect and unmodified, as if the Release from
that Releasing Customer and related New Service Agreement had never
been entered into, except (i) the Releasing Customer shall not be entitled
to any of the rights under the service agreement which are released by it
for the period set forth in the Release and (ii) the Releasing Customer shall
be entitled to a credit as provided in this subsection. Notwithstanding the
above, in the event there is a permanent release of Releasing Customer's
capacity pursuant to Section 14.14 of these General Terms and Conditions,
Algonquin will agree to discharge Releasing Customer of liability, on a prospective basis, in whole or in part.

(c) Algonquin shall bill the Releasing Customer the amount it is obligated to pay for Fixed Charges and shall simultaneously credit such invoice with the Fixed Charges that Algonquin is entitled to recover under all New Service Agreements which are owed in respect of the capacity rights released by the Releasing Customer and acquired pursuant to such release (but not pursuant to subsequent releases of the same capacity); provided, however, that such credit shall be reversed, and Algonquin shall be entitled to interest from Releasing Customer in accordance with Section 19 of these General Terms and Conditions, to the extent Algonquin does not recover such Fixed Charges from the Replacement Customer on the due date. To the extent Releasing Customer makes payment in satisfaction of any such obligations it shall be subrogated to Algonquin's rights to collect such amounts from the defaulting Customer under the New Service Agreement.

(d) Algonquin may rely upon and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, notice, or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(e) Algonquin shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, notice, or other document, but Algonquin, in its reasonable discretion, may make such further inquiry or investigation into such facts or matters as it may see fit.

(f) Except as expressly set forth in Section 14.7(a), each Releasing Customer agrees to protect and indemnify Algonquin against, and to release and hold Algonquin harmless against, any loss, liability or expense (including, without limitation, court costs and attorneys' fees) incurred or suffered by Algonquin or such Releasing Customer arising out of or in connection with the provisions of this Section 14 (including, without limitation, Algonquin's performance or failure of performance of any of its obligations under this Section 14).

(g) Without in any way limiting the other provisions of this Section 14, each Approved Bidder, by delivery of a bid to Algonquin, shall be deemed to have agreed:

(i) to the provisions of (d) and (e) above;
(ii) to protect and indemnify Algonquin against, and to release and hold Algonquin harmless against, any loss, liability or expense (including, without limitation, court costs and attorneys’ fees) incurred or suffered by Algonquin or such Approved Bidder arising out of or in connection with the provisions of this Section 14 (including, without limitation, Algonquin’s performance or failure of performance of any of its obligations under this Section 14); and

(iii) that Algonquin shall have disclaimed all express and implied representations and warrants concerning the released rights acquired by the bidder, the New Service Agreement and the related Release.

(h) [Reserved for Future Use]

(i) Notwithstanding the other provisions of this Section 14.7, Algonquin is not absolved from liability arising as a result of negligence on the part of Algonquin.

14.8 Terms of Release.

(a) Capacity released and available for resale by Algonquin under this Section 14 shall consist of the MDTQ and MATQ associated therewith and, if the Releasing Customer is proposing to release any of its primary points, the MDRO specified in Releasing Customer’s Notice for the Point(s) of Receipt specified therein and/or the MDDO specified in such notice for the Point(s) of Delivery specified therein. A Customer’s release of a portion of the MDTQ under any service agreement shall operate as a release of a proportionate amount of the MATQ thereunder. The Customer acquiring capacity released under this Section 14 may use other Point(s) of Receipt and Point(s) of Delivery only as allowed under the applicable rate schedule and Service Agreement. Unless the Release is permanent and with no rights of recall, the New Service Agreement may not be amended to change Point(s) of Receipt or Point(s) of Delivery without the written consent of Releasing Customer.

(b) If capacity is released during any Contract Year, the Customer acquiring such capacity shall have its MATQ reduced for such Contract Year by the quantity received during such Contract Year prior to the release and associated with the MDTQ so acquired. If a capacity release terminates during any Contract Year, the Releasing Customer shall have its MATQ reduced for such Contract Year by the quantity received during such Contract Year during the period of the release under the acquiring Customer’s agreement.
(c) Any Releasing Customer retaining any rights to recall capacity during the term of the New Service Agreement may exercise such right by providing notification to Algonquin in accordance with the notice requirements set forth in Section 14.4(h) herein. Algonquin may rely on such notification by the Releasing Customer, and Releasing Customer shall indemnify Algonquin and hold it harmless for any liability or costs Algonquin incurs as a result of such reliance, and the Replacement Customers affected by such recall shall release Algonquin and hold it harmless for such reliance.

(d) Capacity resold under this Section 14, including capacity resold under the bidding exception of Section 14.10(a), shall be subject to the maximum rates, including any applicable surcharges, set forth in Algonquin's Statement of Rates for the applicable rate schedule; provided, however, for releases that become effective on or after July 30, 2008, any proposed capacity release transaction with a duration greater than thirty-one (31) Days and less than or equal to one (1) year, unless such proposed release is to an asset manager or a marketer participating in a state-mandated retail access program, must be posted for bidding regardless of the proposed rate; and provided further that, for releases that become effective on or after July 30, 2008, the rate for any release transaction with a term of one (1) year or less may exceed the maximum tariff rate for the applicable rate schedule, if the effective date of the release is on or before one (1) year from the date on which Algonquin is notified of the release. Capacity released under Rate Schedule AFT-1S or AFT-ES and acquired under Rate Schedule AFT-1 or AFT-E for a term of more than one (1) year shall be subject to the maximum and minimum reservation and usage charges set forth in Algonquin's Statement of Rates applicable to such Rate Schedule AFT-1S or AFT-ES. If Releasing Customer specifies that the capacity may be released on a volumetric-rate basis, the volumetric rate for the release shall apply only to the reservation portion of the rate and shall be subject to the maximum volumetric rates set forth in Algonquin's Statement of Rates for the applicable rate schedule. Capacity released subject to recall is firm service subject to the same maximum rates as capacity released not subject to recall.

For releases that become effective on or after July 30, 2008, the rate for any capacity release transaction with a term of one (1) year or less may exceed the maximum tariff rate for the applicable rate schedule if the effective date of the release is on or before one (1) year from the date on which Algonquin is notified of the release.
14. Capacity Release

(e) Capacity released hereunder shall be acquired by the Replacement Customer under the same rate schedule as that applying to the Existing Service Agreement, with the following exceptions:

1. To the extent that capacity released under Rate Schedules AFT-E and AFT-ES has Primary Points of Delivery that are different from the Primary Points of Delivery specified in the Releasing Customer's Service Agreement under such rate schedules as of the time of conversion to no-notice service pursuant to Order No. 636, the capacity shall be acquired under Rate Schedules AFT-1 and AFT-1S, respectively (subject to subsection (2) of this subsection (e)); and

2. Capacity released under Rate Schedules AFT-1S and AFT-ES shall be acquired under Rate Schedules AFT-1 and AFT-E (subject to subsection (1) of this subsection (e)), respectively, if the acquiring Customer does not meet the requirements of Sections 1.a and 1.b of Rate Schedules AFT-1S or AFT-ES, respectively.

14.9 Capacity Request Notice. Any party desiring to acquire firm capacity under this Section 14 must submit the following information to Algonquin via e-mail to link-help@enbridge.com.

(a) the Replacement Customer's name and contact information;
(b) the Maximum Daily Transportation Quantity desired;
(c) the desired commencement date and term of the service;
(d) the desired primary receipt and delivery points and the associated Maximum Daily Receipt Obligation and Maximum Daily Delivery Obligation for the service;
(e) the maximum rate(s) that Replacement Customer will pay for the service;
(f) whether Replacement Customer will accept a release with recall rights, and if so, what recall rights would be acceptable; and
(g) whether Replacement Customer's request is contingent, and if so, the basis for the contingency.

Algonquin shall post such information on the LINK® System for a period of one month or until a transaction is effected, whichever is shorter.
14.10 Exceptions to Bidding Requirement for Pre-arranged Releases.

(a) For releases that become effective on or after July 30, 2008, the following need not comply with the bidding requirements of this Section 14, but shall be subject to all other provisions of this Section 14:

(1) a release for any period of thirty-one (31) Days or less,
(2) a release for more than one (1) year at the maximum tariff rate,
(3) a release of capacity to an asset manager (as defined in Section 284.8(h)(3) of the Commission's regulations), and
(4) a release of capacity to a marketer participating in a state-regulated retail access program (as defined in Section 284.8(h)(4) of the Commission's regulations).

For releases that become effective on or after July 30, 2008, any release, with the exception of releases to an asset manager or to a marketer participating in a state-regulated retail access program, with a term that is greater than thirty-one (31) Days and less than or equal to one (1) year must be posted for bidding pursuant to Section 14.4(b) above, regardless of the proposed rate. A release under this Section 14.10 may be effected by the Releasing Customer's satisfying the notice requirements of Sections 14.4(a) and 14.4(b) and the selected Approved Bidder's submitting a bid satisfying the requirements of Section 14.4(e). Such release shall become effective immediately upon Algonquin's receipt of both such notice and such bid, but no sooner than the date specified in Releasing Customer's Notice, subject to compliance with the other provisions of this tariff. The information provided by the Releasing Customer pursuant to Section 14.4(a) will be posted on the LINK® System and by electronic data interchange as required by Section 14.4(d).

(b) 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 p.m. 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.

Prior to the nomination deadline for the chosen cycle for the begin date specified in the Releasing Customer's Notice, the Prearranged Customer must initiate confirmation of prearranged deals electronically. The contract is issued within one Hour of the award posting (with a new contract number, when applicable).
Nomination is possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Sections 22 and 23 of the General Terms and Conditions; however, in no circumstances will gas flow prior to the effective date of the release as specified in Releasing Customer's Notice.

(c) When a release of capacity for a period of thirty-one (31) Days or less is not subject to the bidding requirements under this Section 14.10, a Releasing Customer may not rollover, extend, or in any way continue the capacity release to the same Replacement Customer which utilizes the same capacity or overlaps such capacity using the thirty-one (31) Days or less bidding exemption described in Section 14.10(a)(1) above until twenty-eight (28) Days after the first release period has ended. The twenty-eight (28) Day hiatus does not apply to any re-release to the same Replacement Customer that is posted for bidding or that qualifies for any of the other exemptions from bidding described in Section 14.10(a) above.

(d) Notwithstanding the standard timelines specified in Section 14.10(b) above, Algonquin shall support a process to allow the Releasing Customer and the Prearranged Customer to create and finalize prearranged non-biddable capacity release transactions to be effective for a given Gas Day at any time prior to 7:00 a.m. on the calendar day on which that Gas Day ends.

(e) Algonquin shall post notice of transactions under Section 14.10 on the LINK® System and by electronic data interchange in accordance with the timelines specified in Section 14.10(a) for notice purposes only, and such posting shall trigger no right in any other party to bid.

14.11 Compensation. If Algonquin and a Releasing Customer so agree, Algonquin may receive a mutually agreeable fee for taking action to market released capacity other than merely posting the notice of availability. Such fee may be deducted from the credit due Releasing Customer under Section 14.7.

14.12 Algonquin's Rights to Terminate Temporary Capacity Releases. In the event of a temporary release for which (1) Algonquin has given notice of termination of the Releasing Customer's contract because the Releasing Customer no longer satisfies Algonquin's credit requirements as outlined in Sections 3.1 and 3.2 of Algonquin's General Terms and Conditions and (2) the reservation charge specified in the effective Addendum to the Replacement or Prearranged Customer's Capacity Release Umbrella Agreement is less than the level of the reservation charge which the Releasing Customer was obligated to pay Algonquin (or, if Releasing Customer is paying a Negotiated Rate, the sum of all reservation-type and commodity-type charges), then Algonquin shall be entitled to terminate the
Addendum, upon 30 days' written notice to the Replacement or Prearranged Customer, unless the Replacement or Prearranged Customer agrees prior to the end of said 30-day notice period to pay for the remainder of the term of the Addendum one of the following: (i) the reservation and commodity charges at levels which the Releasing Customer was obligated to pay Algonquin, (ii) the applicable maximum tariff rate, or (iii) such rate as mutually agreed to by Algonquin and Replacement or Prearranged Customer. The Replacement or Prearranged Customer may elect to pay the lesser of the foregoing three options. If the subject release was a segmented release, Algonquin shall not be required to permit Replacement or Prearranged Customer to retain its geographic segment of capacity, and may require Replacement or Prearranged Customer to pay for the full capacity path of the defaulting Releasing Customer at the lower of the rate the defaulting Releasing Customer paid or the applicable maximum tariff rate. Algonquin's right to terminate the Addendum is subject to Algonquin providing written notice of termination to the Replacement or Prearranged Customer within 60 days of the determination by Algonquin that the Releasing Customer no longer satisfies Algonquin's credit requirements. Termination of the Addendum shall not occur prior to termination of the Releasing Customer's contract.

14.13 Notices to Releasing Customers.

Algonquin shall provide the original Releasing Customer with Internet E-mail notification reasonably proximate in time with any of the following formal notices given by Algonquin to the Releasing Customer's Replacement Customer(s), of the following:

1. Notice to the Replacement Customer regarding the Replacement Customer's past due, deficiency, or default status pursuant to Algonquin's tariff;
2. Notice to the Replacement Customer regarding the Replacement Customer's suspension of service notice;
3. Notice to the Replacement Customer regarding the Replacement Customer's contract termination notice due to default or credit-related issues; and
4. Notice to the Replacement Customer that the Replacement Customer(s) is no longer creditworthy and has not provided credit alternative(s) pursuant to Algonquin's tariff.

14.14 Permanent Capacity Releases.

To the extent that any Customer desires to release all or any part of its firm rights under an Open-access Rate Schedule on a permanent basis, the procedures specified in this Section 14 shall apply. In addition, the Replacement Customer that will acquire the capacity from Customer must provide the credit information as required by Section 3 of the General Terms and Conditions. For any...
permanent capacity release, the minimum bid acceptable to Algonquin shall be a bid for the remainder of the term of Customer's service agreement at the rate(s) Customer is obligated to pay Algonquin for the capacity to be permanently released. Algonquin 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 Customer's request to permanently release capacity is denied by Algonquin, Algonquin shall notify Customer via e-mail and shall include in the notification the reasons for such denial. A service agreement shall be executed, as specified in Section 2.3 of these General Terms and Conditions, by Replacement Customer and Algonquin following completion of the permanent capacity release and the approval processes.

14.15 Index-based Capacity Release Transactions

(a) [Reserved for Future Use]

(b) For index-based capacity release transactions, Releasing Customer must specify which one of the following methods is acceptable for bidding on a given index-based Releasing Customer’s Notice:

- a percentage of the formula,
- a dollars and cents differential from the formula,
- a dollars and cents differential from the Rate Floor, or
- an approved methodology in Algonquin’s tariff, if any.

When bidding is based upon a dollars and cents differential from the Rate Floor, the invoiced rate for the award shall be calculated as the greater of (i) the result of the formula or (ii) the Rate Floor plus the high bid’s differential, both not to exceed Algonquin’s maximum reservation rate, if applicable.

Releasing Customer may specify another method in the special terms and conditions; however, the Releasing Customer’s Notice will be processed within the capacity release timeline specified in Section 14.4(c) above.

(c) For index-based capacity release transactions, Algonquin shall support a Rate Floor to be specified by Releasing Customer in Releasing Customer’s Notice.

(d) Unless otherwise specified in the Algonquin’s tariff, for index-based capacity release transactions where the result of the award is to be applied on a monthly basis, and the formula detailed in the capacity release award requires calculations on a daily basis, the results of such daily calculations may exceed the applicable maximum daily reservation rate or be less than the applicable minimum daily reservation rate. However, any resulting
monthly reservation rate may not exceed Algonquin’s maximum monthly reservation rate, as applicable, or be less than the Rate Floor specified in the capacity release award.

If the resulting monthly reservation rate exceeds Algonquin’s maximum reservation rate, as applicable, Algonquin’s maximum reservation rate shall be used for invoicing. If the resulting monthly reservation rate is less than the Rate Floor, the Rate Floor shall be used for invoicing.

(e) For invoicing of volumetric index-based capacity release transactions, where the result of the formula detailed in the capacity release award is to be applied on a daily basis, if the calculated daily rate exceeds Algonquin’s applicable maximum reservation rate or is less than the Rate Floor specified in the capacity release award, Algonquin’s maximum reservation rate or the Rate Floor, respectively, shall apply.

(f) Algonquin shall support two non-public price index references that are representative of receipt and delivery points on its system for fixed-price transactions with next-day or next-month delivery obligations. In any event, Algonquin shall support all price indices it references in its FERC Gas Tariff. In addition, Algonquin shall evaluate those publicly available price index references requested by its Customers that do not require any license(s)/subscription(s) for their use and support those that are representative of the applicable receipt and delivery points. Further:

1. The identity of all supported price index references shall be posted on Algonquin’s Informational Postings Web site, including the duration of the license(s)/subscription(s) for posted price index reference(s).

2. Upon request of a Customer holding capacity that can be released on Algonquin’s system, Algonquin, in consultation with its Customers, shall review the price index references (including publicly available price index references), and update the price index references to reflect the agreed upon results of that consultation. All parties shall act reasonably and in good faith in the review process. Algonquin shall not unreasonably withhold agreement to such proposed changes. Such review should occur no more frequently than annually.

3. Releasing Customers requesting the use of price index references not supported by Algonquin will be responsible for providing/maintaining adequate license(s)/subscription(s) for Algonquin for such additional price index reference(s) such that Algonquin is able to reasonably determine that it is adequately
licensed to fulfill its business responsibilities associated with index-based capacity release transactions. Such license(s)/subscription(s) shall, at a minimum be for the term of the initial release(s) that use such index references or until such index reference becomes generally supported by Algonquin as referenced above. These price index reference(s) will then be supported by Algonquin and available for index-based capacity release transactions for the duration of the license(s)/subscription(s) and their identity(ies) posted on Algonquin’s Informational Postings Web site.

(4) Regarding paragraphs (2) and (3) above, Algonquin reserves the right, in its own discretion, to review any license(s)/subscription(s) that would legally bind Algonquin and to evaluate the legal propriety of same as it pertains to Algonquin. Algonquin may, with reasonable cause, require modification of the license(s)/subscription(s) to resolve its concerns relative to any license(s)/subscription(s) that would legally bind Algonquin.

(5) Each party involved in an index-based release activity assumes no liability for the use of price index information by other parties to the release. Algonquin’s support of any price index reference does not make it responsible for ensuring that Releasing Customer(s) or Replacement Customer(s) possesses any license(s)/subscriptions(s) that may be required to use such price index reference.

(g) For index-based capacity release transactions, upon mutual agreement between Releasing Customer and Algonquin, Releasing Customer shall provide Algonquin and Replacement Customer with the detailed calculation of the reservation rate(s). Except as provided below, this rate(s) will be stated on the invoice provided by Algonquin to Replacement Customer pursuant to the capacity release award. The results of Releasing Customer’s calculations shall conform to the capacity release award and/or to Algonquin’s minimum and maximum reservation rates, as applicable.

- For reservation and monthly volumetric index-based capacity release transactions, the detailed calculation shall be provided in a mutually agreed upon format no later than the second Business Day of the Month following the transportation under the release.
- For volumetric index-based capacity release transactions requiring a daily rate calculation, the detailed calculation shall be provided in a report pursuant to Section 14.15(j) below.
If the report is not provided by the applicable deadline above or is deficient, Algonquin will notify Releasing Customer to provide Algonquin with a correct report within one Business Day. Thereafter, in the absence of a conforming report, Algonquin will invoice Replacement Customer the greater of the Rate Default specified in the Releasing Customer’s Notice or the Rate Floor plus any differential specified in the capacity release award.

Upon notification to Algonquin by both Releasing Customer and Replacement Customer that prior period adjustments to the calculated reservation rates used in the invoice are appropriate, invoiced amounts can be revised subsequently, upward or downward, to conform to the capacity release award, subject to the standards governing prior period adjustments within the NAESB WGQ Invoicing Related Standards and the provisions of Section 18 of these General Terms and Conditions.

(h) For index-based capacity release transactions, the rate to be used in the invoice shall be the greater of:
   - the results of the calculation of the formula from the capacity release award (if the formula cannot be calculated, the Rate Default specified in Releasing Customer’s Notice), or
   - the Rate Floor plus any differential as specified in the capacity release award.

The rate used in the invoice shall not be greater than Algonquin’s maximum reservation rate, as applicable.

(i) For index-based capacity release transactions, Algonquin shall support the ability of Releasing Customer to specify in Releasing Customer’s Notice a non-biddable Rate Default. The Rate Default cannot be less than the Rate Floor, if any.

(j) For volumetric index-based capacity release transactions, where Releasing Customer performs invoicing calculations pursuant to Section 14.15(g) above, Algonquin shall provide allocated quantities to Releasing Customer according to a mutually agreed upon timetable. Releasing Customer shall have at least one Business Day to process the quantities prior to returning such invoicing information to Algonquin in a tabular format.

Algonquin shall provide the allocated quantities to Releasing Customer in a tabular file to be described by Algonquin. The first row of the file shall contain the column headers and data shall begin on the second row of the file. In addition, the first column shall contain the applicable Gas Day(s).
15. **TERMINATION FOR DEFAULT**

15.1 **Termination of Service.** If either Algonquin or Customer shall fail to perform any of the covenants or obligations imposed upon it or them under and by virtue of an applicable rate schedule or effective Service Agreement, then the other party may at its option terminate such agreement by proceeding as follows. The party not in default shall provide written notice to the party in default stating specifically the cause for terminating the agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have thirty Days after receipt of such notice to remedy or remove the cause or causes stated in the notice, and if within the thirty-Day period the party in default does so remove and remedy said cause or causes and fully indemnifies the party not in default for any and all consequences of such breach, by a good and sufficient indemnity bond or otherwise, then such notice shall be withdrawn and the agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes or does not so indemnify the party giving the notice for any and all consequences of such breach, within the thirty-Day period, then, after any necessary authorization by regulatory bodies having jurisdiction, the agreement shall become void at the expiration of said period, provided that notice of termination has not been withdrawn prior thereto. Any cancellation of such agreement pursuant to the provisions of this paragraph shall be without prejudice to the right of Algonquin to collect any amounts then due to it for natural gas delivered prior to the time of cancellation, and shall be without prejudice to the right of Customer to receive any service for which it has paid but has not received, although entitled thereto, prior to the time of cancellation, and without waiver of any remedy to which the party not in default may be entitled for violations of such agreement.

15.2 **Suspension of Service.** Prior to a termination for default, Algonquin may suspend service to any Customer who fails to comply with the General Terms and Conditions, the applicable rate schedule, or Customer's service agreement. Algonquin's failure to invoke its right to terminate an agreement for default shall not be construed as a waiver of Algonquin's right to terminate service during any other period when Customer is in violation of the terms of this tariff or of Customer's service agreement.
16. **FORCE MAJEURE**

16.1 **Relief from Liability.** Neither party shall be taken to have breached its obligations under the service agreement, the applicable rate schedule, or these General Terms and Conditions by reason of any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, damage, breakage or accident to machinery or lines of pipe, failure of third-party transportation, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension under this section, which act, omission or circumstance such party is unable by the exercise of due diligence to prevent or overcome. For the sole purpose of calculating Reservation Charge Adjustments pursuant to Section 50 of these General Terms and Conditions, outages due to scheduled or routine maintenance shall not be considered *Force Majeure* events.

16.2 **Liabilities Not Relieved.** Such causes or contingencies affecting performance by either party, however, shall not relieve such party of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting performance relieve either party from its obligations to make payments of amounts then due in respect of gas theretofore delivered.

16.3 **Proration of Impaired Deliveries.** The provisions of Section 24 of these General Terms and Conditions shall govern the apportionment of available capacity when such available capacity is impaired so that Algonquin is unable to deliver to Customer the daily or annual quantities of gas provided by effective service agreements.

16.4 **Scheduling of Construction and Maintenance.** Algonquin shall have the right to curtail, interrupt, discontinue, or not schedule service in whole or in part on all or a portion of its system from time to time to perform repair, maintenance or improvements on Algonquin's system as necessary to maintain the operational capability of the system, or to comply with applicable regulatory requirements, or to perform construction pursuant to valid FERC authorization, except that Algonquin shall not have the right to curtail service that Customer has nominated and Algonquin has scheduled in order to perform routine repair or maintenance. Algonquin shall exercise due diligence to schedule repair, construction and maintenance so as to minimize disruptions of service to Customer and shall provide reasonable notice of the same to Customer.
16.5 **Compliance with Directives of Governmental Agencies.** Whenever in order to comply with orders, directives or regulations of duly constituted state, local or federal authorities, including, but not limited to, the Department of Transportation, the Federal Energy Regulatory Commission, and the Environmental Protection Agency, Algonquin must curtail deliveries to Customer and is unable to deliver to Customer the quantities of gas which Customer may then require up to the quantities of gas Algonquin is then obligated to deliver to Customer, Algonquin shall not be liable in damages or otherwise to Customer or any other person or entity for any such failure to deliver such quantities of gas to Customer except to the extent the orders or directives were issued as a result of imprudence or failure to exercise due diligence on the part of Algonquin.

16.6 **Effect of Interconnecting Operations.** In the event that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Algonquin, Algonquin shall not be required to continue deliveries of gas on behalf of Customer to the extent of such refusal or inability to deliver gas to Algonquin. In the event that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Algonquin, Algonquin shall have the right to reduce deliveries of gas on behalf of Customer to the extent of such refusal or inability by the downstream entity to receive gas.
17. GOVERNMENTAL REGULATION

The service agreement, and all terms and provisions contained or incorporated therein, and the respective obligations of the parties thereunder, are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.
18. BILLING

18.1 Monthly Bill. Algonquin shall bill Customer on or before the seventh day of each month for charges relating to service rendered during the preceding Month. Such bill shall be delivered to Customer or its agent by posting Customer's final bill on Algonquin's LINK® System and posting a general notice of the availability of the final bills on Algonquin's Informational Postings Web Site. Algonquin will provide an e-mail notification, if an e-mail address has been designated by Customer, contemporaneously with the posting of the final bill on Algonquin's LINK® System. It is the Customer's responsibility to update e-mail address information provided to Algonquin as necessary. Customer may designate an agent to receive invoices and may designate such agent to receive the e-mail notifications of the availability of Customer's final bill on Algonquin's LINK® System.

18.2 Access to Billing Data. Both Algonquin and Customer shall have the right to examine at reasonable times the books, records, and charts of the other to the extent necessary to verify the accuracy of any statement, charge, or computation made under or pursuant to any of the provisions hereof.

18.3 Discounts. The rates will be discounted in the following order: (i) base rate reservation charge.
19. **PAYMENT**

19.1 **Payment.** On or before the nineteenth day of each month, Customer shall pay Algonquin, by wire transfer of federal funds to an address designated by Algonquin, the amounts billed by Algonquin in said Month pursuant to Section 18 of these General Terms and Conditions; provided, however, that when the nineteenth day of the month falls on a day that is not a Business Day, such payment is due on the first Business Day following the nineteenth day of the month. Any payment shall be considered to have been made as of the time that such payment is received by Algonquin. Payment will be applied in accordance with documentation provided by Customer. All payments shall be identified by invoice number(s) and if payment differs from invoiced amount, remittance detail shall be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment due date.

19.2 **Late Payment.**

(a) Should Customer fail to make timely payment of any bill in whole or in part, payment of any unpaid amount, when made, shall be deemed a Late Payment and Algonquin shall charge interest from the due date of payment until the actual date of payment at an annual interest rate equal to the current national prime interest rate plus 1-1/2 percent prorated for the number of days the payment is late.

Algonquin shall bill Customer for any interest due under this section in its next regular billing, and Customer shall pay such amount in accordance with Section 19.1 above.

(b) Notwithstanding the foregoing, where Customer fails to make timely payments three times during any twelve-month period, the applicable interest rate for subsequent Late Payments during such twelve-month period shall be twice the current national prime interest rate plus 1-1/2 percent, but in no event in excess of the maximum lawful rate.

(c) Algonquin may waive the interest on a Late Payment made within five days of the due date where Customer has diligently paid its prior bills on time, and lateness in payment is of a nonrecurring nature.

(d) Subject to Section 19.3 below, should Customer fail to pay its bill for thirty days after payment is due and such failure continues beyond such thirty days, Algonquin, in addition to any other remedy it may have hereunder, may, after any necessary authorization by regulatory bodies having jurisdiction, suspend further delivery of gas to Customer until such amount is paid.
19.3 **Disputed Bills.** If Customer in good faith shall dispute the amount of any bill or parts thereof and shall pay to Algonquin such amounts as it concedes to be correct, and at any time thereafter within thirty days of a demand made by Algonquin shall furnish a good and sufficient surety bond guaranteeing payment of the amount ultimately found due upon such bills after a final determination which may be reached either by agreement or judgment of the courts as may be the case, then Algonquin shall not be entitled to suspend further delivery of gas unless and until default be made in the conditions of such bond. Customer shall pay the portion of the bill not in dispute and shall provide documentation identifying the basis for the dispute. No payment by Customer of the amount of a disputed bill shall prejudice the right of Customer to claim an adjustment of the disputed bill. Customer shall pay interest on that disputed portion of a bill for which Customer has withheld payment and which ultimately is found due, in accordance with the provisions of Section 19.2 (a) above.

19.4 **Extension of Time.** If presentation of bills by Algonquin is delayed after the seventh day of the month, then the time of payment shall be extended accordingly unless Customer is responsible for such delay.

19.5 **Billing Errors.** In the event an error is discovered in the amount hereunder, such error shall be adjusted within thirty days of the determination thereof, provided that claim therefor shall have been made in writing.

(a) Measurement data corrections shall be processed within six (6) months of the production Month with a three-month rebuttal period.

(b) The time limitation for disputes of allocations shall be six (6) months from the date of the initial Month-end allocation with a three-month rebuttal period.

(c) Prior period adjustment time limits shall be six (6) months from the date of the initial transportation invoice and seven (7) months from date of initial sales invoice with a three-month rebuttal period, excluding government-required rate changes.

These three standards 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.

19.6 **Exit Fee.** To the extent that a Customer desires to terminate an existing contract and Algonquin agrees to such termination subject to the payment in whole or in part of the applicable capacity reservation charges otherwise recoverable by Algonquin from Customer for the balance of the contractual term absent such
early termination, then the amount of and timing for Customer’s payment to Algonquin will be set forth in such agreement.
20. **POSESSION OF GAS**

20.1 **Control.** Subject to Section 20.2, as between Algonquin and Customer, Algonquin shall be deemed to be in control and possession of the gas hereunder upon receipt of such gas at Customer's Point(s) of Receipt until such gas shall have been delivered for Customer's account at Customer's Point(s) of Delivery, and Customer shall be deemed to be in control and possession of such gas prior to such receipt by Algonquin and after such delivery for Customer's account.

20.2 **Responsibility.** Algonquin shall have no responsibility with respect to the gas or on account of anything done, occurring or arising with respect to the gas before receipt of such gas by Algonquin or after delivery of the gas to Customer or for Customer's account, and Customer shall have no responsibility with respect to the gas or on account of anything done, occurring, or arising with respect to the gas while the gas is in Algonquin's possession; provided, however, in the event any gas flows through facilities of Customer prior to such delivery to Customer or for Customer's account, Algonquin shall have no responsibility with respect to such gas or on account of anything done, occurring or arising with respect to such gas while it is in the facilities of Customer.
21. **WARRANTY OF TITLE TO GAS**

Customer warrants that it will at the time of delivery of the gas to Algonquin have good and merchantable title to all of the gas subject only to security interests, liens and encumbrances that would not prevent Customer from tendering the gas for transportation hereunder or receiving redelivery of the gas from Algonquin. Title to the gas received by Algonquin for Customer's account hereunder shall remain with Customer during transportation of the gas by Algonquin. Customer agrees to indemnify and save Algonquin harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of adverse claims of any and all persons to the gas other than claims arising solely through acts of Algonquin.
22. NOMINATIONS

22.1 General. If Customer desires the delivery of gas on any Day under Algonquin's rate schedules, Customer shall give notice to Algonquin nominating the specific quantity of gas Customer requests under each of Customer's Service Agreements under each of Algonquin's rate schedules for each Day of the Nomination Period. Such nomination shall specify the begin and end dates upon which such deliveries are desired, the desired quantities at each Point of Receipt and each Point of Delivery under Customer's Service Agreements, any hourly change in Customer's rate of delivery, if deliveries are not projected to be made in equal hourly increments, and, for interruptible service for which Customer is paying less than the maximum rate, whether Customer elects to pay the applicable maximum rate in accordance with Sections 23.1(e)(2) and 24.5 of the General Terms and Conditions. All nominations, excluding Intraday Nominations, shall have roll-over options. Specifically, Customers shall have the ability to nominate for several Days, Months, or years, provided the nomination begin and end dates are within the term of Customer’s Service Agreement. To the extent Customer desires to change its nomination for any Day(s) within the Nomination Period, Customer must submit a new nomination for such Day(s). In no event shall Algonquin be required to accept a nomination for a quantity insufficient to be measured by the existing measurement facilities at the Point(s) of Receipt or the Point(s) of Delivery. When a nomination for a date range is received, each Day within that range is considered an original nomination. When a subsequent nomination is received for one or more Days within that range, the previous nomination is superseded by the subsequent nomination only to the extent of the Days specified. The Days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only.

22.2 LINK® or Electronic Data Interchange Nominations. Customer shall submit its nominations via the LINK® System or electronic data interchange, unless another means of submittal has been mutually agreed upon by Customer and Algonquin. A nomination made through electronic data interchange shall include all mandatory Commission-approved data elements.

22.3 Initial Nominations. The nomination of deliveries under all rate schedules to commence on the first Day of any Nomination Period shall be submitted to Algonquin no later than the time specified in the nomination timeline below, or such lesser period as is acceptable to Algonquin, prior to the first Day of the Nomination Period. Such nomination shall specify the quantity to be scheduled for each Day of the Nomination Period.
Algonquin shall support the following standard nomination timeline (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17).

The Timely Nomination Cycle
On the day prior to gas flow:

1:00 p.m. Nominations leave control of the Customer;
1:15 p.m. Nominations are received by Algonquin (including from Title Transfer Tracking Service Providers (TTTSPs));
1:30 p.m. Algonquin sends the Quick Response to Customer;
4:30 p.m. Algonquin receives completed confirmations from confirming parties;
5:00 p.m. Customer and point operator receive scheduled quantities from Algonquin.

22.4 Subsequent Nominations.

(a) Prior notice nominations. Subsequent to the first Day of the Nomination Period, Customer may alter its nominations provided that the nomination given by Customer to Algonquin for deliveries on any Day shall be submitted to Algonquin no later than the time specified in the nomination timeline below, or such lesser period as is acceptable to Algonquin, prior to the commencement of such Day. Any scheduling nomination submitted after the initial scheduling nomination shall contain Customer's anticipated service requirements for the remainder of the Nomination Period.

Algonquin shall support the following nomination timeline (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17).

The Timely Nomination Cycle
On the day prior to gas flow:

1:00 p.m. Nominations leave control of the Customer;
1:15 p.m. Nominations are received by Algonquin (including from Title Transfer Tracking Service Providers (TTTSPs));
1:30 p.m. Algonquin sends the Quick Response to the Customer;
4:30 p.m. Algonquin receives completed confirmations from confirming parties;
5:00 p.m. Customer and point operator receive scheduled quantities from Algonquin.

(b) Intraday Nominations under firm rate schedules. Algonquin shall allow Customer to revise Customer's nomination under any firm rate schedule any time prior to the end of the Gas Day being scheduled provided such revision may be implemented, in Algonquin's reasonable judgment, by
Algonquin without detriment to any other firm service Customer and provided such change can be confirmed in a timely manner with Customer's upstream operator and downstream operator and other operators of connecting facilities and supplies. There are two types of Intraday Nominations: (i) a nomination received during the Gas Day for the same Day of gas flow, and (ii) a nomination received after the nominations deadline for the following Gas Day. At least one (1) Intraday Nomination can be submitted 4 hours prior to gas flow. Within four (4) hours of an Intraday Nomination, Algonquin will notify affected Customer(s) and point operator(s) of changes in scheduled quantities. Such a change in nominated and scheduled quantities shall be processed after timely nominations have been scheduled and shall be made prospectively only. Algonquin shall be obligated to deliver the quantities of gas attributable to a revision of Customer's nomination at the same hourly rate as Customer's gas is delivered into Algonquin's system ("Upstream Delivery Hourly Rate") unless delivery at such hourly rate would impair firm service to another Customer. In the event delivery is not made at the Upstream Delivery Hourly Rate, Algonquin shall deliver the quantities at a uniform hourly rate or, in the case of Service Agreements resulting from the conversion pursuant to Order No. 636 of sales entitlements under former Rate Schedules F-1 and WS-1, at a rate equal to .06 multiplied by the scheduled daily quantity, or such greater hourly rate as may be consistent with Algonquin's system operational requirements to serve firm Customers. Any scheduling nomination submitted after the initial scheduling nomination shall contain Customer's anticipated service requirements for one Day only and shall include the effective date and time. Intraday Nominations do not roll over (i.e. Intraday Nominations span one Gas Day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination. The interconnected parties shall agree to the hourly flows for the Intraday Nomination.

If Customer submits an Intraday Nomination on the same contract which already has been scheduled to flow through a Posted Point of Restriction, such Intraday Nomination may be scheduled by Algonquin provided that the Intraday Nomination has a scheduling sequence priority that is being scheduled and allowed to flow on the same Gas Day as the Intraday Nomination pursuant to Sections 23.1 and 48.3 of the General Terms and Conditions and provided that the Intraday Nomination does not result in a net increase in the total volume scheduled on the contract through the Posted Point of Restriction on that Gas Day.

(c) Intraday Nominations under interruptible rate schedules. Algonquin may allow, Customer to revise its nominations on a prospective basis under any
interruptible rate schedule any time prior to the end of the Gas Day being scheduled, provided that, in Algonquin's reasonable judgment, Algonquin may implement such revision under existing system operating conditions and such revision shall cause no detriment to any other firm or interruptible service. There are two types of Intraday Nominations: (i) a nomination received during the Gas Day for the same Day of gas flow, and (ii) a nomination received after the nominations deadline for the following Gas Day. At least one (1) Intraday Nomination can be submitted 4 hours prior to gas flow. Within four (4) hours of an Intraday Nomination, Algonquin will notify affected Customer(s) and point operator(s) of changes in scheduled quantities. Any scheduling nomination submitted after the initial scheduling nomination shall contain Customer's anticipated service requirements for one Day only and shall include the effective date and time. Intraday Nominations do not roll over (i.e. Intraday Nominations span one Gas Day only). Intraday Nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if an Intraday Nomination modifies an existing nomination. The interconnected parties shall agree to the hourly flows for the Intraday Nomination.

If Customer submits an Intraday Nomination on the same contract which already has been scheduled to flow through a Posted Point of Restriction, such Intraday Nomination may be scheduled by Algonquin provided that the Intraday Nomination has a scheduling sequence priority that is being scheduled and allowed to flow on the same Gas Day as the Intraday Nomination pursuant to Sections 23.1 and 48.3 of the General Terms and Conditions and provided that the Intraday Nomination does not result in a net increase in the total volume scheduled on the contract through the Posted Point of Restriction on that Gas Day.

(d) **Elapsed Prorated Scheduled Quantity.** With respect to Intraday Nominations for reductions in previously scheduled quantities, Algonquin will accept, subject to the limitations set forth in Sections 22.4(b) and 22.4(c), any explicitly confirmed quantity, down to and including zero, for such Intraday Nomination; provided, however, if such Intraday Nomination requires confirmation from an upstream and/or downstream interconnected pipeline then any Intraday Nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.

22.5 **Minimum NAESB Nomination Standards.** In the event the more flexible nomination procedures set forth in Section 22 above are inapplicable for any reason, nominations shall be submitted and processed in accordance with the minimum standards set forth in this Section 22.5. Algonquin shall support the
following standard nomination cycles (all times are CCT pursuant to NAESB W/GQ Standard No. 0.3.17):

(a) **The Timely Nomination Cycle**  
On the day prior to gas flow:

- 1:00 p.m. Nominations leave control of the Customer;  
- 1:15 p.m. Nominations are received by Algonquin (including from Title Transfer Tracking Service Providers (TTTSPs));  
- 1:30 p.m. Algonquin sends the Quick Response to the Customer;  
- 4:30 p.m. Algonquin receives completed confirmations from confirming parties;  
- 5:00 p.m. Customer and point operator receive scheduled quantities from Algonquin.

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

(b) **The Evening Nomination Cycle**  
On the day prior to gas flow:

- 6:00 p.m. Nominations leave control of the Customer;  
- 6:15 p.m. Nominations are received by Algonquin (including from TTTSPs);  
- 6:30 p.m. Algonquin sends the Quick Response to the Customer;  
- 8:30 p.m. Algonquin receives completed confirmations from confirming parties;  
- 9:00 p.m. Algonquin provides scheduled quantities to the affected Customers and point operators, including bumped parties (notice to bumped parties).

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

(c) **The Intraday 1 Nomination Cycle**  
On the current Gas Day:

- 10:00 a.m. Nominations leave control of the Customer;  
- 10:15 a.m. Nominations are received by Algonquin (including from TTTSPs);  
- 10:30 a.m. Algonquin sends the Quick Response to the Customer;
- 12:30 p.m. Algonquin receives completed confirmations from confirming parties;
- 1:00 p.m. Algonquin provides scheduled quantities to the affected Customers and point operators, 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.

(d) **The Intraday 2 Nomination Cycle**

On the current Gas Day:

- 2:30 p.m. Nominations leave control of the Customer;
- 2:45 p.m. Nominations are received by Algonquin (including from TTTSPs);
- 3:00 p.m. Algonquin sends the Quick Response to the Customer;
- 5:00 p.m. Algonquin receives completed confirmations from confirming parties;
- 5:30 p.m. Algonquin provides scheduled quantities to the affected Customers and point operators, 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.

(e) **The Intraday 3 Nomination Cycle**

On the current Gas Day:

- 7:00 p.m. Nominations leave control of the Customer;
- 7:15 p.m. Nominations are received by Algonquin (including from TTTSPs);
- 7:30 p.m. Algonquin sends the Quick Response to the Customer;
- 9:30 p.m. Algonquin receives completed confirmations from confirming parties;
- 10:00 p.m. Algonquin provides scheduled quantities to the affected Customers and point operators.

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.

(f) For purposes of subsections (b), (c), (d), and (e) above, 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.
23. **SCHEDULING OF SERVICE**

23.1 **Scheduling Sequence.** Based upon Customer's nominations as confirmed with Customer's upstream and downstream transporters or operators, Algonquin shall schedule receipts and deliveries of gas in the following sequence:

(a) **Firm services utilizing primary points:** among Algonquin's firm service Customers according to the quantities of gas requested to be scheduled by such Customers from Primary Points of Receipt to Primary Points of Delivery up to but not in excess of the applicable contractual entitlement of such Customers;

(b) **Firm service utilizing secondary points:** among Algonquin's firm service Customers according to the quantities of gas requested to be scheduled by such Customers from Secondary Points of Receipt or to Secondary Points of Delivery up to but not in excess of the applicable contractual entitlement of such Customers, in accordance with Section 48.3(a) of the General Terms and Conditions;

(c) **Resolution of firm service imbalances:** among Algonquin's firm service Customers scheduling excess receipts or deliveries for the purpose of resolving a prior imbalance in scheduled receipts or deliveries up to but not in excess of the applicable contractual entitlement of such Customers;

(d) **Old interruptible services:** among Customers whose contractual entitlements resulted from the conversion of interruptible entitlements under Algonquin's former Rate Schedules T-LG, STB and SS-III.

(e) **New interruptible services:** Among all other interruptible service Customers, excluding Park and Loan Customers, in the following order:

(1) among all Customers paying the maximum applicable rate, on a prorata basis based upon Customer's nominations received by Algonquin; and

(2) among all Customers paying a rate that is less than the maximum rate of Algonquin then in effect, in inverse order of the size of such discounts, and among Customers with the same size discount on a prorated basis based upon Customer's nominations received by Algonquin. In addition, Customer may elect to pay the applicable maximum rate at the time Customer submits its nomination in accordance with Section 22 of these General Terms and Conditions. In the event Customer's nomination is for service at a rate less than the applicable maximum rate and Algonquin determines that all nominations exceed available interruptible
capacity, Customer making such election will be required to pay the applicable maximum rate in order to have its nomination accepted and scheduled by Algonquin to the extent interruptible capacity is available as determined by Algonquin. Such election shall be a one-time election effective for the remainder of the Nomination Period.

(f) Resolution of interruptible service imbalances: among Algonquin's interruptible service Customers scheduling excess receipts or deliveries for the purpose of resolving a prior imbalance in scheduled receipts or deliveries up to but not in excess of the applicable contractual entitlement of such Customers;

(g) Authorized overrun gas: among Customers requesting quantities of gas to be scheduled in excess of the applicable contractual entitlement of such Customers;

(h) Park and loan service: among Customers requesting quantities of gas to be scheduled for park and loan service under Rate Schedule PAL based on net present value, with the transaction yielding the highest net present value receiving priority over transactions yielding a lower net present value. Net present value shall be calculated on the basis of the present value of the daily PAL charge per Dth to Algonquin for the term of the transaction as specified in Exhibit A of the PAL Service Agreement. PAL transactions yielding the same net present value shall be scheduled pro rata based on scheduled quantities. In making the determination of net present value, Algonquin shall apply the rate, as of the date of the review, stated in accordance with Section 154.501(d) of the Commission's regulations, to all bids.

23.2 Notice of Amounts Scheduled. Upon completion of scheduling pursuant to Section 23.1, Algonquin shall notify each Customer of the quantities scheduled for delivery to such Customer under each of Algonquin's rate schedules if the amount scheduled is other than the amount nominated.

23.3 No Bump Policy. Once all or a portion of the nomination of a Customer who is paying the maximum rate is accepted and scheduled pursuant to Section 23.2 for any Gas Day, said daily scheduled service shall not be interrupted unless: (a) interruptible capacity is required to provide firm service prior to the Intraday 3 Nomination Cycle as described in Section 22; or (b) curtailment is necessary pursuant to the provisions of Section 24 of these General Terms and Conditions. Any Customer bumped pursuant to this Section 23.3 will be notified by telephone or facsimile and confirmed through the LINK® System and the Web Site.
23.4 **Scheduling Penalty.**

The following scheduling penalties shall apply, provided that if the unauthorized contract overrun penalty set forth in Section 31 of these General Terms and Conditions would also be applicable to a given quantity of gas, only the greater of either the scheduling penalty or the unauthorized contract overrun penalty shall apply.

(a) **Daily.** To the extent that deliveries to Customer on any Day vary from the quantity scheduled, for reasons not attributable to curtailment pursuant to Section 24 and system operating conditions require adherence to the Customer's daily flow obligation in order to enable deliveries of scheduled quantities to all firm Customers, Customer shall be subject to a charge equal to the maximum applicable rate under Rate Schedule AIT-1 per Dth by which such deliveries exceed 110 percent of scheduled deliveries.

The daily charge shall not be applicable unless Algonquin has first provided four Hours' notice on its Web Site. The notice shall specify the period during which such penalties shall be in effect, the Points of Delivery to which such penalties will be applicable and that the notice is being posted pursuant to the provisions of Section 23 of the General Terms and Conditions.

(b) **Hourly.** To the extent that deliveries to Customer during any period of one Hour exceed 104 percent of 1/24th of the scheduled daily quantity (or .06 multiplied by the scheduled daily quantity in the case of Service Agreements resulting from the conversion pursuant to Order No. 636 of entitlements under former Rate Schedules F-1 and WS-1) without the consent of Algonquin, Customer shall be subject to a charge equal to the maximum applicable rate under Rate Schedule AIT-1 per Dth by which the deliveries to Customer exceed 104 percent of 1/24th of the scheduled daily quantity (or .06 multiplied by the scheduled daily quantity in the case of Service Agreements resulting from the conversion pursuant to Order No. 636 of entitlements under former Rate Schedules F-1 and WS-1).

Such charge shall be in addition to any daily scheduling charge assessed, provided that such hourly charge shall not be applicable unless Algonquin has first provided one Hour's notice on its Internet Web Site that system operating conditions require adherence to the Customer's hourly flow obligation in order to enable deliveries of scheduled quantities to all firm Customers. Any such notice shall specify the period during which such penalties shall be in effect, and the Points of Delivery to which such penalties will be applicable and that the notice is being posted pursuant to the provisions of Section 23 of the General Terms and Conditions.
(c) **Exception for No-Notice Service.** The scheduling penalties described herein shall not apply to Customers receiving service under Rate Schedules AFT-E or AFT-ES, provided that all of the operational conditions specified in Section 5 of those rate schedules have been met.

(d) **Exception for Flow Control.** The scheduling penalties described herein shall not apply to excess deliveries at Points of Delivery where Algonquin has installed remote electronic flow control equipment that is operational at the time of such excess deliveries.

(e) **Credit of Penalties Received.** Any penalty revenue collected by Algonquin pursuant to this Section 23.4 will be credited to those firm and interruptible Customers that did not incur penalties pursuant to this Section 23.4 in the Month for which penalty revenues were received ("Non-offending Customers"), based on the ratio of the Reservation and Usage Charges paid during that Month by each Non-offending Customer to the total amount of such charges paid during that Month by all Non-offending Customers. An operator that has executed an Operational Balancing Agreement and a transportation service agreement with Algonquin shall be eligible to receive penalty revenue credits as a Non-offending Customer for any Month in which the operator was not liable for penalties pursuant to this Section 23.4 under its own transportation service agreement(s). Such credits shall be calculated for each Month of the twelve (12) month period ending July 31 of each year and will be included on the Non-offending Customers' invoice for the Month following the date of the final Commission order approving Algonquin's penalty disbursement report; provided, however, that Algonquin will calculate and include such credits on Non-offending Customers' invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of penalty revenue collected pursuant to this Section 23.4 by Algonquin as of the end of any Month exceeds $1,000,000. Algonquin will file a penalty disbursement report within sixty days of July 31 or sixty days after the end of the Month in which the revenue collected exceeds $1,000,000. Any penalty revenue credited to Non-offending Customers pursuant to this section shall include interest calculated in accordance with Section 154.501 of the Commission's regulations.
24. CURTAILMENT

24.1 General. This Section 24 sets out the procedures whereby Algonquin will reduce or discontinue firm or interruptible services available under this tariff. If, due to any cause whatsoever, the capacity of Algonquin's transmission system, or any part thereof, is impaired so that Algonquin is unable to receive or to deliver the total quantity of gas which Algonquin is then obligated to receive or to deliver under agreements with Customer, then Algonquin shall allocate such reduced available capacity in accordance with this Section 24.

24.2 Causes of Curtailment. Algonquin shall have the right to curtail, interrupt or discontinue service in whole or in part on all or a portion of its system from time to time and at any time (a) for reasons of force majeure or when necessary, in Algonquin's reasonable judgment, to maintain the operational integrity of its system, (b) to perform routine maintenance, repairs, improvements and regulatory compliance activity, provided that Algonquin shall utilize due diligence to schedule such activity so as to minimize disruptions of service and shall provide reasonable notice of such interruptions to Customer, (c) when the service is interruptible to the extent, in Algonquin's reasonable judgment, such interruptible service would impair Algonquin's ability to meet its firm service obligations, (d) to the extent necessary in Algonquin's reasonable judgment to comply with applicable laws and regulations including, but not limited to, governmental permits governing the operation of Algonquin's facilities, and (e) to the extent necessary in Algonquin's reasonable judgment to protect people and property, including Algonquin's facilities, from harm or damage due to operational or safety conditions including but not limited to conditions such as excessive compressor discharge temperatures.

24.3 Notice of Curtailment.

(a) Notice by Algonquin. Algonquin shall promptly provide Customer with notice of curtailment or interruption at a time and in a manner that is reasonable under then existing conditions. When possible, such notice shall be provided in advance. Algonquin shall confirm a telephonic notice of curtailment by posting the notice on the LINK® System and its Internet Web Site. Such notice shall specify that the notice is being posted pursuant to the provisions of Section 24 of the General Terms and Conditions. In the event of a curtailment of firm service, the notice shall include a concise statement regarding the cause of the curtailment. Algonquin shall provide a more detailed explanation of the cause of the curtailment upon request.

(b) Notice by Customer. Customer shall have the responsibility to inform its suppliers, other transporters and all others involved in the transaction as to any curtailment or interruptions.
(c) **Notice in Emergency Situations.** Algonquin shall provide notice to any Customer that is curtailed to a lower quantity as a result of a request submitted under the Emergency Situation relief provisions of subsection 24.6 below. Such notice shall be provided in a time and manner that is reasonable under then existing conditions but no later than within twenty-four hours of such curtailment. In the event Customer requesting Emergency Situation relief provides the sworn statement required by subsection 24.6, Algonquin shall provide a copy of the sworn statement at the request of any Customer curtailed to a lower quantity as a result of the anticipated sworn statement.

24.4 **Order of Curtailment.** In the event service is interrupted or curtailed then Algonquin shall reduce scheduled service beginning with category (1) below and continuing through the categories of service in the following order:

1. Scheduled service for park and loan service under Rate Schedule PAL.
2. Scheduled service for Authorized Overrun Quantities.
3. Scheduled service for the resolution of imbalances under interruptible service agreements.
4. Scheduled service for interruptible services not otherwise classified in paragraphs (1), (2), (3) and (5) herein.
5. Scheduled service for interruptible services resulting from the conversion of contractual entitlements under Algonquin's former Rate Schedules T-LG, STB and SS-III.
6. Scheduled service under all firm service agreements.

24.5 **Order of Curtailment Within Categories.** Algonquin shall reduce service to those Customers affected by insufficient capacity beginning with requests within category (1) above, and continuing through the order listed above in Section 24.4. In the event that sufficient capacity is available to provide partial service in any of the categories defined in Section 24.4 above, then the available capacity shall be allocated within such category as follows:

1. The capacity available for park and loan service under Rate Schedule PAL to the Customers affected within category (1) of Section 24.4 above shall be allocated among such Customers on the basis of net present value, with the transaction yielding the highest net present value receiving priority over transactions yielding a lower net present value. Net present value shall be calculated on the basis of the present value of the daily PAL
charge per Dth to Algonquin for the term of the transaction as specified in Exhibit A of the PAL Service Agreement. PAL transactions yielding the same net present value shall be scheduled pro rata based on scheduled quantities. In making the determination of net present value, Algonquin shall apply the rate, as of the date of the review, stated in accordance with Section 154.501(d) of the Commission's regulations, to all bids.

(2) The capacity available for service to the Customers affected within category (2) of Section 24.4 above shall be allocated among such Customers as follows: first, pro rata among firm Customers paying the maximum rate; next, on a first-come/first-served basis among interruptible Customers paying the maximum rate; and next, among firm and interruptible Customers paying a discounted rate based upon the size of the discount, with the Customer paying the higher rate having the higher priority, subject only to the election of another interruptible Customer that is paying a discounted rate to pay the applicable maximum rate in order to afford its scheduled quantities a higher priority for the purposes of this subsection (2).

(3) The capacity available for service to the Customers affected within categories (3) and (4) of Section 24.4 above shall be allocated among such Customers, who have scheduled interruptible quantities pursuant to Section 23, on a prorata basis based on the quantities scheduled for such Customer(s), subject only to the election of another interruptible Customer that is paying a discounted rate to pay the applicable maximum rate in order to afford its scheduled quantities a higher priority for the purposes of this subsection (3).

(4) The capacity available for service to the Customers affected within category (5) of Section 24.4 above shall be prorated among the affected Customers based upon the quantity scheduled for each affected Customer under Algonquin's rate schedules subject to category (5) of Section 24.4 as compared with the total of the quantity scheduled for all affected Customers; provided, however, that no Customer shall be entitled to a capacity allocation in excess of the quantity for which service has been scheduled pursuant to Section 23 within the category on the particular Day involved.

(5) The capacity available for service to Customers affected within category (6) of Section 24.4 above shall be prorated based on the quantity scheduled for each affected Customer at the affected Points of Receipt or Points of Delivery under the affected rate schedules, subject to adjustment pursuant to Section 24.6 below.
24.6 **Emergency Situation.** In the event Algonquin is advised by a Customer that, absent adjustment of the curtailment level contemplated by subsection 24.5, the Customer will be unable for the duration indicated by Customer to avoid irreparable injury to life or property (including environmental emergencies) or to provide for minimum plant protection ("Emergency Situation"), then Algonquin shall adjust its curtailment of all other Customers on a pro rata basis as necessary to deliver the quantities required to avoid or mitigate the threatened or existing Emergency Situation. While Algonquin will make adjustments in curtailment promptly upon notification by Customer, Customer must provide Algonquin within twenty-four hours of notification a sworn statement including:

(a) a detailed explanation of and an estimated duration for the Emergency Situation;

(b) affirmation that all sources of gas supply available to Customer, including peak-shaving and storage, were and are being utilized to the maximum extent possible during the time period for which the exception to the curtailment provisions of this Section 24 is in effect;

(c) affirmation that all interruptible services of Customer were and are being interrupted or curtailed during the time period for which the exception to the curtailment provisions of this Section 24 is in effect;

(d) affirmation that no alternate fuel could be utilized or is available to be utilized to prevent the necessity for an exception to the curtailment provisions of this Section 24; and

(e) affirmation that, if the Emergency Situation is an environmental emergency, the Customer has made and continues to make all feasible efforts to resolve the environmental emergency, including requests for waiver, exemption, and other relief from any regulation, directive, order or other requirement of a governmental body.

Customer shall provide Algonquin immediate notice of the cessation of the Emergency Situation.

Algonquin shall not be liable for granting exceptions to the curtailment provisions of this Section 24 for any Customer based upon a request submitted by any such Customer to Algonquin under the Emergency Situation relief provisions of this subsection 24.6. In the event Customer does not provide the sworn statement as required by this subsection, then all quantities attributable to the adjustments made by Algonquin shall be billed, in addition to all other charges, at a rate equal to three times the daily Gas Daily posting for the High Common price for the "AGT Citygate" posting per Dth for the Day that Algonquin adjusts its curtailment levels to provide Emergency Situation relief pursuant to this Section.
24.6. All revenues attributable to such charge shall be credited, pro rata on the basis of the increase in curtailment caused by this provision's having been invoked, to those Customers curtailed to a lower quantity as a result of the anticipated sworn statement. Notwithstanding any provision of this subsection, however, Customer shall not be entitled to relief under this subsection: (1) to the extent that an Emergency Situation is due to the Customer's failure to have adequate transportation arrangements in effect for the delivery of Customer's gas at the Point(s) of Delivery in effect hereunder during the relevant period, or (2) to the extent that the quantity of gas required to meet such Emergency Situation exceeds such Customer's firm contractual rights.

24.7 Compensation. If Algonquin is requested to invoke Section 24.6, then the requesting Customer's bill for such Month shall be adjusted upward by an amount equal to the aggregate curtailment adjustment quantity requested by the Customer pursuant to Section 24.6 multiplied by the reservation charge for the applicable rate schedule multiplied by .0329. All revenues attributable to such adjustment shall be credited, on a pro rata basis, based on each Customer's additional curtailment quantity due to the Emergency Situation divided by the aggregate of all Customers' additional curtailment quantity due to the Emergency Situation, to those Customers curtailed to a lower quantity as a result of the Emergency Situation.

24.8 Violation of Curtailment Orders. All quantities taken by Customer in violation of Algonquin's curtailment orders shall constitute unauthorized receipts or deliveries for which a curtailment penalty equal to three times the daily Gas Daily posting for the High Common price for the "AGT Citygate" posting per Dth on the Day the violation occurred shall be assessed. On any Day that Customer may be liable for scheduling penalties under Section 23 for the same quantities subject to a penalty charge under this Section 24.8, Algonquin shall impose on Customer only the greater of the two penalties. Algonquin will provide Customer notice of such curtailment orders and Customer shall be permitted one Hour, or such lesser time as is required to prevent the impairment of reliable service on the system, to reduce its tenders, takes or both in compliance with the curtailment orders. If Customer adjusts its tenders or takes within such notice period then no charge, as provided for herein, shall be assessed.

Any penalty revenue collected by Algonquin pursuant to this Section 24.8 will be credited to those firm and interruptible Customers that did not incur penalties pursuant to this Section 24.8 in the Month for which penalty revenues were received ("Non-offending Customers"), based on the ratio of the Reservation and Usage Charges paid during that Month by each Non-offending Customer to the total amount of such charges paid during that Month by all Non-offending Customers. An operator that has executed an Operational Balancing Agreement and a transportation service agreement with Algonquin shall be eligible to receive penalty revenue credits as a Non-offending Customer for any Month in which the
operator was not liable for penalties pursuant to this Section 24.8 under its own transportation service agreement(s). Such credits shall be calculated for each Month of the twelve (12) month period ending July 31 of each year and will be included on the Non-offending Customers' invoice for the Month following the date of the Commission order approving Algonquin's penalty disbursement report; provided, however, that Algonquin will calculate and include such credits on Non-offending Customers' invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of penalty revenue collected pursuant to this Section 24.8 by Algonquin as of the end of any Month exceeds $1,000,000. Algonquin will file a penalty disbursement report within sixty days of July 31 or sixty days after the end of the Month in which the revenue collected exceeds $1,000,000. Any penalty revenue credited to Non-offending Customers pursuant to this section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.
25. **IMBALANCE RESOLUTION PROCEDURES**

25.1 **Customer's Responsibility.** It shall be the responsibility of Customer to provide accurate and timely nominations of quantities proposed to be received and delivered by Algonquin under all of Customer's service agreements; to maintain as nearly as practicable equality between quantities actually taken by Customer under each service agreement and Customer's scheduled quantities under each service agreement; and to maintain a concurrent balance between receipts and deliveries under each of Customer's transportation service agreements. Except as otherwise expressly provided in Rate Schedules AFT-E and AFT-ES, upon notice by Algonquin, Customer shall cause the rate of deliveries to Algonquin at the Point(s) of Receipt under a service agreement to equal as nearly as practicable the rate of deliveries by Algonquin at the Point(s) of Delivery under such service agreement.

25.2 **Determination of Deliveries.** The quantity delivered to Customer for purposes of this Section 25 shall be determined in accordance with Sections 5, 6, and 28 of these General Terms and Conditions.

25.3 **Determination of Receipts.** The quantity received by Customer at the Point(s) of Receipt under Customer's transportation service agreement(s) shall be determined in accordance with Section 27 of the General Terms and Conditions.

25.4 **Allocation of Receipts Among Rate Schedules.** Customer's receipts determined in accordance with Section 27 shall be apportioned among service agreements utilizing the same priority of rate schedules as is set forth in Section 28 of these General Terms and Conditions for the apportionment of deliveries among rate schedules.

25.5 **Allocation of Receipts Among Service Agreements.** In the event Customer has more than one service agreement under a single rate schedule, Customer's receipts under that rate schedule determined in accordance with Section 27 shall be apportioned among such service agreements according to a priority specified by Customer at the time of Customer's submission of nominations of receipts under such service agreements.

25.6 **Resolution of Imbalances.** The monthly imbalance for a service agreement other than an Operational Balancing Agreement shall be determined separately by Customer, by contract and by individual pairs of Points of Receipt and Points of Delivery specified in Customer's nomination to Algonquin and Algonquin's notice of scheduled quantities provided to Customer by Algonquin pursuant to Sections 22.3, 22.4 and 22.5 of the General Terms and Conditions; to the extent Customer is utilizing service provided at a meter for which an Operational Balancing Agreement is in effect, Customer's confirmed and scheduled quantities at that meter will be used as the actual quantity for purposes of calculating such
Customer's monthly imbalance. The monthly imbalance for an OBA Party's Operational Balancing Agreement shall be based on the difference between total actual Quantities of Gas received and/or delivered through the applicable meter and the total aggregated confirmed and scheduled quantities for such meter.

During the Month, Cash-out Party or OBA Party (individually referred to in this Section 25 as an “Imbalance Party” and collectively as “Imbalance Parties”) may use any or all Imbalance Management Services, as defined in Section 1 of the General Terms and Conditions, to reduce or eliminate a monthly imbalance. In addition, Imbalance Party may trade a monthly imbalance with another Imbalance Party, in accordance with Section 25.8 below, until the close of the seventeenth Business Day after the end of the Month in which the imbalances occurred. Any imbalance(s) not resolved via any of the Imbalance Management Services will be resolved as set forth in Section 25.10 herein or the in-kind imbalance resolution mechanism set forth in OBA Party's executed Operational Balancing Agreement (“OBA”), as applicable.

25.7 Imbalance Management Services. The Imbalance Management Services offered by Algonquin are identified in Section 1 of the General Terms and Conditions. Details of each service are included in the applicable Rate Schedule and Form of Service Agreement contained in this tariff, or in Sections 25.8 and 25.9 below.

25.8 Imbalance Trading. Algonquin shall allow Imbalance Parties to trade imbalances within the same Operational Impact Area, as defined in Section 1 of the General Terms and Conditions, if the two Imbalance Parties' imbalances are offsetting balances for the Month, such that the net imbalance after the completion of the trade for each Imbalance Party would be reduced to a quantity closer to zero. An OBA Party that trades an imbalance resulting from actual deliveries by Algonquin in excess of scheduled deliveries ("due Algonquin") shall be assessed a transportation imbalance charge. An OBA Party that trades an imbalance resulting from actual deliveries by Algonquin that are less than scheduled deliveries ("due OBA Party") shall be assessed a transportation imbalance credit. The transportation imbalance charge and the transportation imbalance credit shall be calculated by multiplying the traded quantity by the weighted average of the actual Commodity Charges owed on all quantities of gas delivered during the Month to that OBA Party.

Algonquin will provide the ability to post and trade imbalances at any time during the gas flow Month, and until the seventeenth Business Day after the end of the Month. To facilitate the trading process, Algonquin will, upon receipt of Imbalance Party's authorization, post an Imbalance Party's imbalance quantity on its Web Site. An authorization to Post Imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) that is received by Algonquin by 11:45 a.m. shall be effective by 8:00 a.m. the next Business Day. An Authorization to Post Imbalances will remain in effect until cancelled by the Imbalance Party. An imbalance that is
previously authorized for posting shall be posted on or before the ninth Business Day of the Month; however, Algonquin will not be required to post zero imbalances. The information posted will also identify the Imbalance Party, the contract, the Operational Impact Area and the gas flow Month applicable to the posted imbalance quantity. For purposes of determining the imbalance quantity that will be posted, all imbalances within an Operational Impact Area due Imbalance Party under all of Imbalance Party's contracts and all imbalances in that Operational Impact Area due Algonquin under all of Imbalance Party's contracts shall be summed together to yield a single net imbalance quantity for the Imbalance Party in that Operational Impact Area for the Month, unless otherwise agreed to pursuant to Section 25.9 below. Algonquin will provide to all Customers and OBA Parties the ability to view, and upon request, download posted imbalance information.

Algonquin shall enable the imbalance trading process by providing the ability for (i) Customer to authorize the posting of imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) on Algonquin’s LINK® System; (ii) a party to view the posted imbalances (pursuant to NAESB WGQ Standard No. 2.4.10) on Algonquin’s LINK® System; (iii) the initiating trader to submit a request to Algonquin for an imbalance trade (pursuant to NAESB WGQ Standard No. 2.4.11) on Algonquin’s LINK® System; (iv) Algonquin, in response to the request for an imbalance trade, to provide any error/warning message(s), as necessary, which includes the name of the relevant data element, if appropriate, along with the corresponding message; (v) the initiating trader to withdraw its request for an imbalance trade on Algonquin’s LINK® System; (vi) Algonquin to, optionally, request the confirming trader to confirm the request for an imbalance trade; (vii) the confirming trader to confirm the request for an imbalance trade on Algonquin’s LINK® System; (viii) Algonquin to provide the initiating trader and the confirming trader with the status of the requested imbalance trade no later than 12:00 p.m. (Noon) on the next Business Day, including, if applicable, an explanation when the trade quantity is not equal to the trade quantity requested; (ix) Algonquin to effectuate the confirmed trade; and (x) Algonquin to reflect the trade prior to or on the next monthly Customer Imbalance or cashout.

When trading imbalances, the quantity to be traded must be specified. An imbalance trade can only be withdrawn by the initiating trader and only prior to the confirming trader's confirmation of the trade. An imbalance trade is considered final when confirmed by the confirming trader and effectuated by Algonquin. Algonquin shall update the Imbalance Party's imbalance data to reflect any final trades of imbalance quantities no later than 9:00 a.m. CT on the next Business Day after the trade is finalized.
25.9 **Imbalance Netting**

For purposes of determining the imbalance quantity that will be subject to resolution pursuant to Section 25.10, all imbalances within an Operational Impact Area due Imbalance Party under all of Imbalance Party's contracts for a Month and all imbalances in that same Operational Impact Area due Algonquin under all of Imbalance Party's contracts for that same Month shall be summed together to yield a single imbalance for that Operational Impact Area for the Month, unless otherwise requested in writing by Imbalance Party. Any imbalance not resolved after Sections 25.7 and 25.8 above have been utilized will be subject to resolution in accordance with Section 25.10 below or the in-kind imbalance resolution mechanism set forth in OBA Party’s executed Operational Balancing Agreement (“OBA”), as applicable.

25.10 **Cash-out Provision**

Prior to or with the monthly transportation invoice, Algonquin will render each Cash-out Party a statement detailing the unresolved imbalances. In the second Month after the imbalances occurred, a bill for the amount due Algonquin or a credit of the amount due Cash-out Party, as determined below, will be rendered with the monthly transportation invoice pursuant to Section 18.1 of these General Terms and Conditions.

(a) **Determination of Index Price.** The Index Price for purposes of resolving imbalances shall be determined by calculating the arithmetic average of Platts Gas Daily, “Daily Price Survey” postings for each of the High Common, Low Common and Midpoint prices for “Algonquin, city-gates” by using each day of the relevant Month and the first seven days of the subsequent Month.

(b) **Imbalance Due Algonquin.** In the event of an imbalance caused when Cash-out Party's allocated deliveries as determined in accordance with Section 25.2 exceed Cash-out Party's allocated receipts as determined in accordance with Section 25.3, less an allowance for fuel determined in accordance with Section 32 of the General Terms and Conditions (“Excess Delivery”), Algonquin shall charge Cash-out Party for such Excess Delivery plus an allowance for fuel calculated by multiplying such Excess Delivery by the applicable fuel percentage established pursuant to Section 32 of the General Terms and Conditions.

In the event that Cash-out Party’s imbalance percentage, as determined pursuant to this Section 25.10(b), is less than or equal to five (5) percent, the charge shall be based on the average of the Midpoint prices as determined in subsection (a) above. If Cash-out Party’s imbalance percentage, as determined pursuant to this Section 25.10(b), is greater than
five (5) percent, such charge shall be based on the average of the High Common prices as determined in subsection (a) above multiplied by one or more of the following factors until the total monthly imbalance is fully accounted for:

<table>
<thead>
<tr>
<th>Imbalance Level</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than or equal to 5%</td>
<td>1.00</td>
</tr>
<tr>
<td>Greater than 5% but less than or equal to 10%</td>
<td>1.10</td>
</tr>
<tr>
<td>Greater than 10% but less than or equal to 15%</td>
<td>1.20</td>
</tr>
<tr>
<td>Greater than 15% but less than or equal to 20%</td>
<td>1.30</td>
</tr>
<tr>
<td>Greater than 20% but less than or equal to 25%</td>
<td>1.40</td>
</tr>
<tr>
<td>Greater than 25%</td>
<td>1.50</td>
</tr>
</tbody>
</table>

For purposes of determining the appropriate factor, Cash-Out Party's imbalance shall be determined by taking the lower of (a) the level of imbalance supplied pursuant to Section 40.2, or (b) the imbalance computed by comparing (i) the deliveries at the Point of Delivery as determined in accordance with Section 25.2 and (ii) the receipts at the Point of Receipt as determined in accordance with Section 25.3.

Provided, however, that in the case of an imbalance created by an action of Algonquin taken pursuant to Rate Schedule AFT-E or AFT-ES to decrease receipts by Algonquin for Cash-out Party's account the applicable factor shall be 1.0 to the extent Cash-out Party's receipts were in fact reduced pursuant to such action by Algonquin.

Provided further, for Rate Schedule AFT-1S or AFT-ES Customers, the level of imbalance shall not be determined until after Algonquin subtracts up to 4,828 Dth, as necessary, from each Rate Schedule AFT-1S or AFT-ES Customer's total monthly imbalance. Such amount subtracted up to 4,828 Dth will be cashed out at the appropriate index price for the Month.

The applicable imbalance percentage for purposes of determining the applicable cash out price factor shall be determined by dividing the amount of the Excess Delivery by the scheduled receipts (less fuel).

(c) **Imbalance Due Cash-out Party.** In the event of an imbalance caused when Cash-out Party's allocated deliveries as determined in accordance with Section 25.2 are less than Cash-out Party's allocated receipts as determined in accordance with Section 25.3, less an allowance for fuel determined in accordance with Section 32 of the General Terms and Conditions (“Excess Receipts”), Algonquin shall make a cash out payment to Cash-out Party reflecting such Excess Receipts.
In the event that Cash-out Party’s imbalance percentage, as determined pursuant to this Section 25.10(c), is less than or equal to five (5) percent, the payment shall be based on the average of the Midpoint prices as determined in subsection (a) above. If Cash-out Party’s imbalance percentage, as determined pursuant to this Section 25.10(c), is greater than five (5) percent, such payment will be based on the average of the Low Common prices as determined pursuant to subsection (a) above multiplied by one or more of the following factors until the total monthly imbalance is fully accounted for:

<table>
<thead>
<tr>
<th>Imbalance Level</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than or equal to 5%</td>
<td>1.00</td>
</tr>
<tr>
<td>Greater than 5% but less than or equal to 10%</td>
<td>0.90</td>
</tr>
<tr>
<td>Greater than 10% but less than or equal to 15%</td>
<td>0.80</td>
</tr>
<tr>
<td>Greater than 15% but less than or equal to 20%</td>
<td>0.70</td>
</tr>
<tr>
<td>Greater than 20% but less than or equal to 25%</td>
<td>0.60</td>
</tr>
<tr>
<td>Greater than 25%</td>
<td>0.50</td>
</tr>
</tbody>
</table>

For purposes of determining the appropriate factor, Cash-out Party's imbalance shall be determined by taking the lower of (a) the level of imbalance supplied pursuant to Section 40.2, or (b) the imbalance computed by comparing (i) the deliveries at the Point of Delivery as determined in accordance with Section 25.2 and (ii) the receipts at the Point of Receipt as determined in accordance with Section 25.3.

Provided, however, that in the case of an imbalance created by an action of Algonquin taken pursuant to Rate Schedule AFT-E or AFT-ES to increase receipts by Algonquin for Cash-out Party's account, the applicable factor shall be 1.0 to the extent Cash-out Party's receipts were in fact increased pursuant to such action by Algonquin.

Provided further, for Rate Schedule AFT-1S or AFT-ES Customers, the level of imbalance shall be determined after Algonquin subtracts up to 4,828 Dth, from each Rate Schedule AFT-1S or AFT-ES Customer's total monthly imbalance. Such amount subtracted up to 4,828 Dth will be cashed out at the appropriate index price for the Month.

The applicable imbalance percentage for purposes of determining the applicable cash out price shall be determined by dividing the Excess Receipts by the total scheduled receipts (less fuel). Algonquin shall have no responsibility for the distribution of funds beyond the initial distribution to the Cash-out Party.

(d) [Reserved for Future Use]
(e) **Credit.** On a monthly basis Algonquin shall credit or debit, as appropriate, the system balancing account with the net proceeds from the operation of the imbalance resolution procedures contained in this Section 25.
26. **PROTECTION OF SYSTEM OPERATIONS AND OPERATIONAL FLOW ORDERS**

26.1 If any of the following conditions occur, then Algonquin may take the actions described in this Section 26:

(a) Customer's actual hourly deliveries under all contracts under which gas is delivered for Customer's account at a given Point of Delivery exceed receipts of gas for Customer's account at relevant Point(s) of Receipt, or

(b) Actual hourly deliveries under all contracts under which gas is delivered for Customer's account at a given Point of Delivery are less than receipts of gas for Customer's account at relevant Point(s) of Receipt, and

(c) Algonquin determines in its reasonable discretion that, if Algonquin does not take prompt action, Algonquin's ability to continue to deliver scheduled quantities to other Customers may be impaired by the further accumulation of such imbalances.

For the purposes of this Section 26, the term "Customer" refers to one or more of Customer, point operator or agent, as applicable.

26.2 Within a reasonable time after the occurrence of any of the conditions described in Section 26.1, Algonquin shall notify Customer. Following such notice, Algonquin and Customer shall agree upon the appropriate action that Algonquin should take to protect system operations.

26.3 In the event Customer and Algonquin cannot agree upon an appropriate action within a reasonable time, Algonquin may do any or all of the following:

(a) Adjust Customer's nominations under one or more contracts immediately and for the remainder of the Month as necessary to halt the further accumulation of imbalances on Customer's account,

(b) Revoke Algonquin's confirmation of receipts with Customer's upstream transporters, and revise any confirmed quantity as necessary to reflect adjustments of scheduled quantities on Algonquin's system,

(c) Take any actions that are within Algonquin's operational capabilities to reduce or eliminate Customer's excess receipts,

(d) Take any actions that are within Algonquin's operational capabilities to reduce or eliminate Customer's excess deliveries, and/or
(e) Issue an Operational Flow Order ("OFO") requiring Customer to limit Customer's daily due pipeline imbalance as specified in the OFO.

26.4 In the event Algonquin takes action to alleviate excess imbalances it shall nonetheless remain the obligation of Customer to make such further adjustments to nominations during the remainder of the Month to resolve accumulated imbalances or to account for subsequent changes in actual deliveries.

26.5 In addition to taking action pursuant to Sections 26.1 through 26.4 herein, Algonquin may also issue an Operational Flow Order ("OFO") upon determination by Algonquin that action is required in order to alleviate conditions which threaten to impair reliable firm service, to maintain pipeline operations at the pressures required to provide an efficient and reliable firm service, to have adequate gas supplies in the system to deliver on demand (including injection of gas into the mainline, and providing line pack), to maintain firm service to all Customers and for all firm services, and to maintain the system in balance for the foregoing purposes. All OFOs issued pursuant to this Section 26.5 shall be issued pursuant to the notice requirements set forth in Section 26.7 below.

26.6 Algonquin's ability to exercise, or Algonquin's actual exercise of its authority under this Section 26, shall have no effect upon Customer's liability for scheduling, overrun or imbalance penalties otherwise applicable to Customer under other provisions of this tariff, provided that Customer's revised nominated and scheduled quantities shall provide the basis for the computation of such penalties.

26.7 Operational Flow Orders.

(a) Algonquin shall keep all Customers apprised, via posting on the Web Site, of upcoming events such as anticipated weather patterns and operational problems that may necessitate the issuance of an OFO.

(b) Algonquin shall make an OFO as localized as is reasonably practicable based on Algonquin’s good faith and reasonable judgment concerning the situations requiring remediation such that an OFO will be directed (1) first to Customers and point operators causing the problem necessitating the OFO or transporting gas in the area of the system in which there is an operational problem, and (2) second to those Customers and point operators transporting gas in the area of the system where action is required to correct the problem necessitating the OFO. Algonquin will tailor the OFO to match the severity of the known or anticipated operational problem requiring remediation. In the event that, in Algonquin’s reasonably exercised judgment, the OFO issued to individual Customer(s) or point operator(s), as described above, fails to resolve the system problem or the issuance of such an OFO to individual Customer(s)
or point operator(s) would fail to resolve the system problem, Algonquin may issue a system-wide OFO.

(c) Each OFO issued pursuant to Section 26.7(b) above will be issued by 9:00 a.m. CT, subject to Section 26.7(d) below, to be effective at the date and time specified in the OFO. All OFOs issued pursuant to this Section 26 will be posted on the Web Site and will be provided to affected parties through the affected party's choice of Electronic Notice Delivery mechanism(s), or in the event of known failure of Internet notification, Algonquin will notify affected Customers by telefacsimile. The notice of OFO will include a written explanation of the need for and timing of such order prior to being effective. Notice of such order along with the posted explanation will be sent to the Commission by overnight mail.

(d) In the event that, in Algonquin’s reasonably exercised judgment, the notice provided in Section 26.7(c) is not sufficient to fully address the situation or under circumstances in which the operational integrity of the system is more severely threatened, Algonquin may issue an OFO pursuant to Section 26.7(b) above during the Gas Day to be effective immediately. Such OFO will be posted on the Web Site and will be provided to affected parties through the affected party's choice of Electronic Notice Delivery mechanism(s). In the event of known failure of Internet notification, Algonquin will notify affected Customers by telefacsimile. Notice of such order along with the posted explanation will be sent to the Commission by overnight mail.

(e) Algonquin shall lift any effective OFO promptly upon the cessation of operating conditions that caused the relevant system problem. After Algonquin has lifted the OFO, Algonquin shall post a notice on its Web Site specifying the factors that caused the OFO to be issued and then lifted, to the extent such factors are known.

(f) All notices provided pursuant to this Section 26 also will be provided via e-mail communication to those parties who have submitted a request, and provided e-mail address information for at least one contact person, via the LINK® System to receive e-mail notification of critical notices issued by Algonquin.

26.8 **OFO Penalties.** If a Customer or point operator fails to comply with any OFO issued pursuant to this Section 26, it will be subject to an OFO Penalty equal to three times the daily Platts Gas Daily, “Daily Price Survey” posting for the High Common price for “Algonquin, city-gates” for the Day on which such failure occurred multiplied by the quantity by which it deviated from the requirements of the OFO.
26.9 **OFO Penalty Crediting Mechanism.** Any penalty revenue collected by Algonquin pursuant to Section 26.8 will be credited, net of costs, to those Customers who delivered gas to the point(s) at which the point operator(s) was in compliance pursuant to this Section 26 in the Month for which penalty revenues were received (“Non-offending Customers”), based on the ratio of the Reservation and Usage Charges paid during that Month by each Non-offending Customer to the total amount of such charges paid during that Month by all Non-offending Customers. A point operator that has executed an Operational Balancing Agreement and a transportation service agreement with Algonquin shall be eligible to receive penalty revenue credits as a Non-offending Customer for any Month in which the point operator was not liable for penalties pursuant to this Section 26 under its own transportation service agreement(s). Such credits shall be calculated for each Month of the twelve (12) month period ending July 31 of each year and will be included on the Non-offending Customers’ invoice for the Month following the date of the final Commission order approving Algonquin’s penalty disbursement report; provided, however, that Algonquin will calculate and include such credits on Non-offending Customers’ invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of penalty revenue collected pursuant to this Section 26 by Algonquin as of the end of any Month exceeds $1,000,000. Algonquin will file a penalty disbursement report within sixty days of July 31 or sixty days after the end of the Month in which the revenue collected exceeds $1,000,000. Any penalty revenue credited to Non-offending Customers pursuant to this section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.
27. **DETERMINATION OF RECEIPTS**

The quantity received by Customer at the Point(s) of Receipt under Customer's transportation service agreement(s) shall be determined as follows:

(a) At each Point of Receipt at which Customer's gas is the only gas entering Algonquin's facilities, Customer's receipts under all service agreements in aggregate shall equal the quantity in total measured by the upstream operator's meter at the relevant point;

(b) At each Point of Receipt at which Customer's gas is not the only gas entering Algonquin's facilities, if Algonquin has executed an Operational Balancing Agreement under Section 30 herein with the operator of the upstream facilities that permits Algonquin to do so, Algonquin shall deem Customer's receipts to equal Customer's scheduled receipts;

(c) At each Point of Receipt at which Customer's gas is not the only gas entering Algonquin's system, and if Algonquin has not executed an Operational Balancing Agreement pursuant to Section 30 herein with the operator of the upstream facilities, metered quantities shall be apportioned among all Customers pro rata according to scheduled quantities; provided however, before Algonquin may invoke this subsection Algonquin shall have provided nominations and shall have scheduled receipts of any gas received by Algonquin for Algonquin's account for Company Use Gas in a like manner to that required of Customers under Algonquin's firm open access transportation rate schedule; or

(d) In accordance with such other schedule or methodology as to which Algonquin and Customer shall agree. Customer shall submit such schedule or methodology to Algonquin via the LINK® System, unless otherwise agreed to by Algonquin and Customer.
28. **DETERMINATION OF DELIVERIES**

28.1 **Single Customer Delivery Points.** At each Point of Delivery at which Customer's gas is the only gas being delivered by Algonquin, Customer's deliveries in aggregate under all Service Agreements shall equal the quantity in total measured at the Point of Delivery.

28.2 **Multiple Customer Delivery Points.** At each Point of Delivery at which Customer's gas is not the only gas being delivered by Algonquin, deliveries to each Customer will be determined in the following manner:

(a) If Algonquin has executed an agreement with the operator of the delivery point facilities that permits Algonquin to do so, Algonquin shall deem Customer's deliveries to equal Customer's scheduled deliveries;

(b) If Algonquin has not executed an agreement with the operator of the delivery point facilities as described in Section 28.2(a), metered quantities shall be apportioned among all Customers pro rata according to scheduled quantities; or

(c) In accordance with such other schedule or methodology as to which Algonquin and Customer shall agree. Customer shall submit such schedule or methodology to Algonquin via the LINK® System, unless otherwise agreed to by Algonquin and Customer.

28.3 **Allocation of Deliveries Among Rate Schedules.** Parties may agree upon one of the following allocation methodologies: ranked, pro rata, percentage, swing and operator provided value. In the event the parties cannot agree on a methodology, the methodology listed below shall be used as the default method. The party responsible for custody transfer (the party performing the measurement function) must provide the allocation. Algonquin will accept such allocation if operationally or administratively feasible.

Whenever Customer is receiving deliveries of gas at a Point of Delivery under more than one rate schedule, and unless Customer informs Algonquin otherwise via the LINK® System, unless otherwise agreed to by Algonquin and Customer, Customer's deliveries as determined in accordance with Section 28.2 will be apportioned among rate schedules as follows:

(a) **Rate Schedule PAL.** The quantity of gas scheduled for delivery under this rate schedule on such Day but not more than the total delivery. In the event that Customer has not scheduled quantities to be delivered under (b) through (j), the total quantity delivered by Algonquin to Customer on any Day shall constitute the deliveries on such Day under Rate Schedule PAL.
(b) **Rate Schedules AIT-1 and AIT-2.** The quantity of gas scheduled for delivery under these rate schedules on such Day but not more than the total delivery less the deliveries under (a) above. In the event that Customer has not scheduled quantities to be delivered under (c) through (j), the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) above shall constitute the deliveries on such Day under Rate Schedules AIT-1 and/or AIT-2, as applicable.

(c) *Reserved for Future Use*

(d) **Rate Schedule T-1.** The quantity of gas scheduled for delivery under this rate schedule on such Day but not more than the total delivery less the deliveries under (a) through (c) above. In the event that Customer has not scheduled quantities to be delivered under (e) through (j), the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (c) above shall constitute the deliveries on such Day under Rate Schedule T-1.

(e) **Volume No. 2 Rate Schedules.** The quantity of gas scheduled for delivery under any rate schedule contained in Volume No. 2 of Algonquin's FERC Gas Tariff, in the order specified in advance by Customer, on any Day but not more than the total delivery less the deliveries under (a) through (d) above. In the event that Customer has not scheduled quantities to be delivered under (f) through (j), the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (d) above shall constitute the deliveries on such Day under Volume No. 2 Rate Schedules.

(f) **Rate Schedule AFT-CL.** In the event deliveries are scheduled under Rate Schedule AFT-CL on any Day, the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (e) above. In the event that Customer has not scheduled quantities to be delivered under (g) through (j), the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (e) above shall constitute the deliveries on such Day under Rate Schedule AFT-CL.

(g) **Rate Schedule AFT-1.** In the event deliveries are scheduled under Rate Schedule AFT-1 on any Day, the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (f) above, but not in excess of the scheduled quantities if Customer has scheduled quantities to be delivered under the rate schedules listed in (h) through (j). In the event that Customer has not scheduled quantities to be delivered under (h) through (j), the total quantity delivered
by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (f) above shall constitute the deliveries on such Day under Rate Schedule AFT-1.

(h) **Rate Schedule AFT-1S.** In the event deliveries are scheduled under Rate Schedule AFT-1S on any Day, the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (g) above, but not in excess of the scheduled quantities if Customer has scheduled quantities to be delivered under the rate schedules listed in (i) through (j). In the event that Customer has not scheduled quantities to be delivered under (i) through (j), the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (g) above shall constitute the deliveries on such Day under Rate Schedule AFT-1S.

(i) **Rate Schedule AFT-E.** In the event Customer has scheduled deliveries of gas under Rate Schedule AFT-E on any Day, the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (h) above but not in excess of the scheduled quantities if Customer has scheduled quantities to be delivered under the rate schedule listed in (j). In the event that Customer has not scheduled quantities to be delivered under (j), the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (h) above shall constitute the deliveries on such Day under Rate Schedule AFT-E.

(j) **Rate Schedule AFT-ES.** In the event Customer has scheduled deliveries of gas under Rate Schedule AFT-ES on any Day, the total quantity delivered by Algonquin to Customer on any Day, less the quantities determined pursuant to (a) through (i) above shall constitute the deliveries on such Day under Rate Schedule AFT-ES.

28.4 **Allocation of Deliveries Among Service Agreements.** Whenever Customer is receiving deliveries of gas at a Point of Delivery under more than one Service Agreement under a particular rate schedule, and unless Customer specifies a priority for deliveries under such Service Agreements after or during confirmation and before the effective time of the gas flow, Customer's deliveries under that rate schedule, as determined in accordance with Section 28.3, will be apportioned among such Service Agreements pro rata according to scheduled quantities.
29. **SYSTEM USE REQUIREMENTS**

29.1 **Purpose.** In the event that Algonquin determines, in its reasonable discretion, that a quantity of gas is required for use as Company Use Gas, Algonquin shall issue a System Use Requirements Notification (“Notification”) pursuant to this section; provided, however, that this section may only be invoked if Algonquin determines that such quantity of gas is not obtainable in the time frame required by utilizing off-system resources available to Algonquin, or pursuant to Section 32 of these General Terms and Conditions; and further provided that Algonquin shall have first taken any appropriate action pursuant to Section 26 of these General Terms and Conditions. Such Notifications shall be uniformly applicable to all volumes received at all Points of Receipt under all rate schedules.

29.2 **Uses of Gas Obtained Pursuant to Notifications.** Gas obtained pursuant to Notifications issued under authority of this section may be utilized only to provide Company Use Gas to the extent gas for such uses is not otherwise available to Algonquin from resources at its disposal.

29.3 **Issuance of Notifications.** Algonquin shall provide, via posting on the LINK® System and the Web Site, prior notice to all Customers of upcoming events such as operational problems that may necessitate the issuance of a Notification pursuant to this Section 29. If Algonquin invokes this section it shall confirm a telephonic or facsimile notice by posting the Notification on the LINK® System and its Internet Web Site specifying:

(a) the increment to be added to the otherwise applicable Fuel Reimbursement Percentage provided for in Section 32 of these General Terms and Conditions,

(b) the total quantity of gas that Algonquin estimates it will require to meet immediate operational needs,

(c) the Hour at and Day on which the Notification will become effective, and

(d) the period of time during which Algonquin expects the Notification to remain in effect.

Such Notification shall be posted on Algonquin’s Internet Web site twenty-four hours in advance of the effective date and time of any Notification issued pursuant to this section or such lesser period of time as is practicable under the circumstances, shall specify that the Notification is being issued pursuant to the provisions of Section 29 of the General Terms and Conditions and shall specify the factors that caused the Notification to be issued, to the extent such factors are known. During the pendency of any such Notification, Algonquin shall obtain the additional gas it requires by balancing receipts and deliveries, Algonquin being
obligated to deliver the quantity of gas received for Customer's account reduced by the Fuel Reimbursement Quantity including quantities retained pursuant to this section.

After Algonquin has lifted the Notification, Algonquin shall post a notice on the LINK® System and the Web Site specifying the factors that caused the Notification to be issued and then lifted, to the extent such factors are known.

29.4 Compensation. On the invoice for the Month in which this Section 29 was invoked, Customer shall receive a credit equal to the product of the volume in Dth of Customer's gas retained by Algonquin for each Day pursuant to this Section 29 multiplied by the Platts Gas Daily, “Daily Price Survey” posting for the Midpoint price for “Algonquin, city-gates” on that Day.
30. OPERATIONAL BALANCING AGREEMENTS

30.1 General. Any imbalances arising under any transportation agreement at Points of Receipt into Algonquin's system, or at Points of Delivery from Algonquin's pipeline system, which Points of Receipt or Points of Delivery are subject to Operational Balancing Agreements as more fully described in Section 30.2 below, on the Day or Days such imbalances arise, will be resolved by Algonquin and OBA Party pursuant to the terms of the applicable Operational Balancing Agreement.

30.2 Terms Governing. For the purpose of minimizing operational conflicts between various natural gas facilities with respect to the delivery of gas to and from Algonquin's facilities, Algonquin is willing to negotiate and execute Operational Balancing Agreements with appropriate parties that operate natural gas facilities interconnecting with Algonquin's system (any such party referred to as "OBA Party" herein). Such Operational Balancing Agreements shall be in the form contained in this FERC Gas Tariff; provided, however, that Algonquin and OBA Party at interconnections with interstate or intrastate pipelines may execute an Operational Balancing Agreement in another mutually agreeable form. Such Operational Balancing Agreements shall specify the gas custody transfer procedures to be followed by Algonquin and OBA Party for the confirmation of scheduled quantities to be received by Algonquin at Points of Receipt and delivered by Algonquin at Points of Delivery. Such Operational Balancing Agreements will provide that any variance between actual quantities and scheduled and confirmed quantities for any Day shall be resolved in-kind promptly, or pursuant to such cash out provisions as Algonquin and the OBA Party may agree upon. To facilitate such determination of variances on a timely basis, Algonquin and the OBA Party will agree in the Operational Balancing Agreement on necessary measurement and accounting procedures. Algonquin shall post on its Internet Web Site those Points of Receipt and Points of Delivery which are subject to an Operational Balancing Agreement. Algonquin will also provide to any party upon request a copy of any executed Operational Balancing Agreement.

30.3 Prerequisites to Execution. It is Algonquin's intent to negotiate and execute Operational Balancing Agreements on a non-discriminatory basis with any OBA Party. However, Algonquin shall have no obligation to negotiate and execute Operational Balancing Agreements with any OBA Party that:

(a) is not creditworthy as determined pursuant to Section 3 of these General Terms and Conditions, substituting the term "OBA Party" for "Customer" for this purpose;

(b) does not maintain a dispatching operation which is staffed on a continuous, around-the-clock basis;
30. Operational Balancing Agreements

(c) would cause an increase in the level of regulation which Algonquin is subject to prior to the execution of the applicable Operational Balancing Agreement; or

(d) does not commit to timely determination of imbalances based on reasonable available measurement technology.

30.4 Right To Protect System Integrity. Nothing in this Section 30 nor any executed Operational Balancing Agreement shall limit Algonquin’s rights to take action as may be required to adjust receipts and deliveries under any transportation agreement to reflect actual experience or to alleviate conditions which threaten the integrity of Algonquin’s pipeline system, including maintenance of service to higher priority Customers or services.

30.5 Recordkeeping. Algonquin shall maintain records of volumes and amounts paid pursuant to Operational Balancing Agreements entered into under this Section 30. Such records shall be available for review.

30.6 Determination of Deliveries. Deliveries to shippers at points covered by Operational Balancing Agreements entered into under this Section 30 shall be determined in accordance with Section 28.2(a).
31. UNAUTHORIZED CONTRACT OVERRUN GAS

31.1 Unauthorized Contract Ovrrun Gas Defined.

(a) If, during any Hour, the total quantity of gas taken by Customer from Algonquin at all Point(s) of Delivery under any Service Agreement exceeds Customer's MHTQ under such Service Agreement during such Hour, and Algonquin has posted notice on the LINK® System and its Internet Web Site that system operating conditions require adherence to Customers' MHTQs in order to enable deliveries of scheduled quantities to firm Customers, then all such gas taken in excess of such entitlement shall constitute Unauthorized Contract Ovrrun Gas. Algonquin shall confirm an electronic notice by telephone or facsimile one hour prior to taking action pursuant to Section 31.1(a).

(b) If, on any Day, the total quantity of gas taken by Customer from Algonquin at all Point(s) of Delivery under any Service Agreement exceeds Customer's MDTQ under such Service Agreement on such Day, and Algonquin has not authorized such excess quantity, then all such gas taken in excess of such entitlement shall constitute Unauthorized Contract Ovrrun Gas. In the event Customer takes Unauthorized Contract Ovrrun Gas and such Unauthorized Contract Ovrrun Gas did not threaten system integrity or deliveries to firm Customers, such Unauthorized Contract Ovrrun Gas shall be deemed for purposes of the applicable rate schedules and these General Terms and Conditions to be "Authorized Ovrrun Gas".

31.2 Penalty Payment. In the event that Customer takes Unauthorized Contract Ovrrun Gas and such Unauthorized Contract Ovrrun Gas threatens system integrity or deliveries to firm shippers, Customer shall pay Algonquin an unauthorized contract overrun penalty equal to three times the daily Platts Gas Daily, “Daily Price Survey” posting for the High Common price for “Algonquin, city-gates” per Dth on the Day the violation occurred for all Unauthorized Contract Ovrrun Gas as defined in Section 31.1 above, subject only to the waiver provisions set forth in Section 31.3 below, in addition to the amounts otherwise payable by Customer to Algonquin under Algonquin's applicable rate schedules and these General Terms and Conditions.

Any penalty revenue collected by Algonquin pursuant to this Section 31.2 will be credited to those firm and interruptible Customers that did not incur penalties pursuant to this Section 31.2 in the Month for which penalty revenues were received ("Non-offending Customers"), based on the ratio of the Reservation and Usage Charges paid during that Month by each Non-offending Customer to the total amount of such charges paid during that Month by all Non-offending Customers. An operator that has executed an Operational Balancing Agreement
and a transportation service agreement with Algonquin shall be eligible to receive penalty revenue credits as a Non-offending Customer for any Month in which the operator was not liable for penalties pursuant to this Section 31.2 under its own transportation service agreement(s). Such credits shall be calculated for each Month of the twelve (12) month period ending July 31 of each year and will be included on the Non-offending Customers' invoice for the Month following the date of the final Commission order approving Algonquin's penalty disbursement report; provided, however, that Algonquin will calculate and include such credits on Non-offending Customers' invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of penalty revenue collected pursuant to this Section 31.2 by Algonquin as of the end of any Month exceeds $1,000,000. Algonquin will file a penalty disbursement report within sixty days of July 31 or sixty days after the end of the Month in which the revenue collected exceeds $1,000,000. Any penalty revenue credited to Non-offending Customers pursuant to this section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.

31.3 Waiver of Penalty. The penalty payment provided in Section 31.2 above shall not apply:

a) When the Unauthorized Contract Overrun Gas in any Hour under Section 31.1(a) above does not exceed 2 Dth or 2% of Customer's MHTQ, whichever is greater, and

b) When the Unauthorized Contract Overrun Gas on any Day under Section 31.1(b) above does not exceed 50 Dth or 2% of Customer's MDTQ, whichever is greater.

31.4 Reservation; Other Remedies. This Section 31, or the payment of a penalty for Unauthorized Contract Overrun Gas hereunder, shall under no circumstances be considered as giving Customer any right to take Unauthorized Contract Overrun Gas or be considered as a substitute for any other remedy available to Algonquin against the offending Customer for failure to respect its obligation to stay within its contract entitlements. Algonquin expressly reserves the right, when, in Algonquin's reasonable judgment, such remedy is necessary to protect service to Algonquin's other Customers, to shed the load of the offending Customer which is not staying within its contract entitlements by closing valves at Points of Delivery on a particular Day after such offending Customer has taken the total quantity of gas it is entitled to take on such Day from Algonquin, or to take such other action as Algonquin deems necessary or appropriate to protect deliveries to other Customers.

31.5 Notice of Unauthorized Overruns. Algonquin shall post notice on the LINK® System and its Internet Web Site when conditions triggering application of this Section 31 have occurred. Such notice shall specify that the posting is being
made pursuant to the provisions of Section 31 of the General Terms and Conditions.
32. **FUEL REIMBURSEMENT QUANTITY**

32.1 **General.** The Fuel Reimbursement Quantity ("FRQ") shall be determined by multiplying Customer's receipts at the Point(s) of Receipt by the applicable Fuel Reimbursement Percentage ("FRP"), except in the case of Backhauls and/or Forwardhauls components of transportation on the HubLine Mainline facilities in which case the FRQ shall be zero. During the term of the Service Agreements executed hereunder, Algonquin will periodically track changes in its requirement to retain gas in-kind in compensation for the quantities of Company Use Gas used to provide service for Customers.

32.2 **Fuel Reimbursement Percentage (FRP).** The FRP shall be as quantified pursuant to this Section 32 and as set forth in the currently effective Statement of Rates for Fuel Reimbursement Percentages of this tariff, shall be separately stated for system services and for each incremental service as required by Commission order. The FRP shall be subject to adjustment hereunder for service under all rate schedules unless otherwise explicitly provided in the rate schedule. The FRP shall include any increment added pursuant to a flow order issued pursuant to Section 29 of these General Terms and Conditions.

**Specified Calendar Periods.** FRPs shall be established distinctly for the duration of two calendar periods as follows: (i) winter period--December 1 through March 31 and (ii) spring, summer and fall period--April 1 through November 30.

32.3 **Calculation of FRP Adjustments.** FRPs shall be calculated and filed pursuant to this Section 32 on an annual basis for each calendar period specified in Section 32.2 above.

32.4 **Calculations of FRP and True Up.** For each filing hereunder for each specified calendar period Algonquin shall calculate the FRP, with separate calculations for system services and for each incremental service as required by Commission order, as the quotient obtained by dividing (a) the projected annual quantities of Company Use Gas for each specified calendar period plus/minus the under- or over-realization, respectively, of in-kind compensation gas recorded in the volumetric fuel imbalance account pursuant to Section 32.5 by (b) the projected annual throughput for each specified calendar period.

32.5 **Volumetric Fuel Imbalance Account.**

At least thirty (30) days prior to the effective date of a change in the FRP hereunder, and in accordance with Section 43.1(a), Algonquin shall determine the monthly difference between (i) the actual quantity of gas realized as a result of application of this Section 32 and (ii) the actual quantity of Company Use Gas for the Month less any quantity of gas obtained during the Month pursuant to Section
29. The under- or over-realization of in-kind compensation gas shall be recorded each Month in the volumetric fuel imbalance account.

32.6 Procedure for Filing. At least thirty days prior to the effective date of a change in the FRP hereunder, Algonquin shall file with the FERC a revised Statement of Rates for Fuel Reimbursement Percentages setting out the proposed change and supporting workpapers showing the calculations developing such proposal. Algonquin shall file annually to revise the FRPs as provided in Section 32.3 and Section 32.4 herein effective on December 1 of each year. Algonquin may file interim proposals between annual filings subject to approval by the Commission.
33. GAS RESEARCH INSTITUTE CHARGE ADJUSTMENT PROVISION

33.1 Purpose. Algonquin has joined with other gas enterprises in the formation of and participation in the activities and financing of Gas Research Institute ("GRI"), an Illinois not-for-profit corporation. GRI has been organized for the purpose of sponsoring Research, Development and Demonstration ("RD&D") programs in the field of natural and manufactured gas for the purpose of assisting all segments of the gas industry in providing adequate, reliable, safe, economic, and environmentally acceptable gas service for the benefit of gas consumers and the general public.

33.2 [Reserved for Future Use]

33.3 [Reserved for Future Use]

33.4 Remittance to GRI. Algonquin shall remit to GRI, not later than fifteen days after the receipt thereof, all monies actually collected and received by virtue of the voluntary contribution mechanism, less any amounts properly payable to a federal, state or local authority relating to the monies received hereunder. In no event will Algonquin be required to remit to GRI amounts not actually collected under this section. Algonquin shall indicate to GRI the amounts applicable to specific projects and project areas, if so indicated by Customer.

33.5 [Reserved for Future Use]

33.6 Voluntary Contribution Mechanism. Algonquin will include in invoices to Customers a voluntary contribution mechanism allowing Customers to make voluntary contributions to GRI in such amounts and for such GRI project(s) or project area(s) as Customers specify. Customers may, but are not required to, make such voluntary contributions. The voluntary contribution mechanism is not a pipeline rate, rate provision, or term or condition of service. It is included in the invoice in accordance with the January 21, 1998, Stipulation and Agreement Concerning GRI Funding approved by the Commission in Gas Research Institute, 83 F.E.R.C. Par. 61,093 (1998, order on Rehearing, 83 F.E.R.C. Par. 61,331 (1998). Any amounts remitted to Algonquin pursuant to the voluntary contribution mechanism shall be forwarded to GRI by Algonquin and are not refundable by Algonquin.
34. **ANNUAL CHARGE ADJUSTMENT CLAUSE PROVISION**

34.1 **Purpose.** Annual charges are assessed against gas pipelines by the Federal Energy Regulatory Commission under Part 382 of the Commission's regulations prior to each fiscal year in order to cover the cost of the operation of the FERC. For the purpose of recovering annual charges assessed Algonquin by the FERC, this Section 34 establishes pursuant to Section 154.402 of the Commission's regulations an Annual Charge Adjustment ("ACA") Surcharge to be applicable to quantities sold or transported under all of Algonquin's rate schedules. This ACA Surcharge is in addition to any amounts otherwise payable to Algonquin under its rate schedules.

34.2 **Rate Schedules Subject to ACA Surcharge.** The ACA Surcharge shall be applicable to the quantities delivered for the account of Customer under all of Algonquin's rate schedules, except the AFT-CL Customer will only be assessed the ACA Surcharge for gas volumes transported under an AFT-CL Rate Schedule when the AFT-CL Customer does not pay an ACA Surcharge under another rate schedule for the same gas volumes transported.

34.3 **Basis of the ACA Surcharge.** The ACA Surcharge shall be that increment, adjusted to Algonquin's measurement basis (MMBtu), which the Commission orders to be effective each fiscal year as posted in a notice on its website (http://www.ferc.gov) entitled “FY [Year] Gas Annual Charges Correction for Annual Charges Unit Charge.”

34.4 [Reserved For Future Use]
35. PERMITTED SHARING OF NON-PUBLIC INFORMATION

Pursuant to FERC Order No. 787 and subject to the requirements of FERC Order No. 787, Algonquin shall have the right to share, from time to time on a voluntary basis, non-public operational information with an Independent System Operator, Regional Transmission Organization or public utility that owns, operates, or controls facilities used for transmission of electric energy in interstate commerce (collectively “Electric Transmission Operator”) for the purpose of promoting reliable service or operational planning on either the Algonquin’s or Electric Transmission Operator’s system. Algonquin’s primary point of contact and the protocols for the sharing of such non-public information will be provided to each Electric Transmission Operator in Algonquin’s service territory. All such sharing of non-public operational or planning information will be in accordance with those protocols. A list of the Electric Transmission Operators who have agreed to the protocols will be maintained on Algonquin’s Informational Postings website.
36. **PERIODIC RATE ADJUSTMENTS**

Algonquin and Customer recognize that Algonquin will from time to time experience changes in costs related to providing service under this tariff, including, but not limited to, changes in the cost of labor, benefits, materials and supplies, taxes, required rate of return, costs associated with the resolution of past disputes or outstanding uncertainties concerning amounts owed by Algonquin or Customer or attributable to Algonquin or Customer, and costs generated by decisions of the Commission, the courts or by an arbitration panel or other body having jurisdiction over Algonquin. The parties further recognize that it may be appropriate, equitable and consistent with cost responsibility to allocate such costs among Customers based on or taking into account past period factors, such as contract demand levels, throughput or other factors related to a prior period of time. Customer agrees that Algonquin shall have the right from time to time to make rate change filings which may include such costs and utilize an allocation methodology based in whole or in part on factors related to past periods. Customer shall have the right to intervene and protest any such filing.
37. **POINTS OF RECEIPT AND DELIVERY**

37.1 **Primary Receipt and Delivery Point Flexibility:**

(a) For Customers with open access firm transportation service, the sum of the Maximum Daily Receipt Obligations at all of Customer’s Points of Receipt for a given service agreement and the sum of the Maximum Daily Delivery Obligations at all of Customer’s Points of Delivery for a given service agreement, may each exceed Customer’s MDTQ:

1. to the extent that the additional firm receipt and delivery point entitlements, as applicable, resulted from a conversion, pursuant to the Order No. 636 restructuring process, of a Part 284 or Section 7(c) service agreement that was in place with Algonquin prior to June 1, 1993, or

2. to the extent that Customer requests and Algonquin agrees to specified MDDOs and/or MDROs, as applicable, under Part 284 or Section 7(c) service agreement, in connection with the construction or modification of facilities that occurs after July 3, 2015, for which Algonquin has obtained the necessary certificate authorization, or

3. to the extent that additional firm receipt and/or delivery point capacity under Part 284 or Section 7(c) service agreement, is available as a result of installation of facilities that occurs after July 3, 2015, for which one or more Customers reimburses Algonquin pursuant to Section 42 of the General Terms and Conditions of this FERC Gas Tariff. Such MDROs and/or MDDOs, as applicable, are granted to the reimbursing Customers pro rata, based upon the respective levels of reimbursement by such Customers, or

4. to the extent that the MDROs or MDDOs, as applicable, are associated with those points located within Customer’s transportation path entitlements that are used for deliveries to or receipts from points of interconnection with a lateral where Customer has a lateral-only firm service agreement.

(b) A Customer may succeed, or may have succeeded, to a service agreement with the sum of the MDDOs and/or MDROs exceeding the MDTQ as specified in Section 37.1(a) above, by any legal means in whole or in part, including through merger, purchase, consolidation, capacity release, a conversion from a Section 7(c) service agreement to a Part 284 Service Agreement, or an assignment, which MDDOs and/or MDROS are specified in an executed service agreement.
38. STANDARDS OF CONDUCT COMPLIANCE PROCEDURES

38.1 Uniform Application. All terms and conditions contained in this tariff shall be applied in a uniform and nondiscriminatory manner without regard to affiliation of any entity to Algonquin.

38.2 Comparability of Service. Algonquin shall provide service under Rate Schedules AFT-1, AFT-E, AFT-1S, AFT-ES, AFT-CL, PAL, TTT, AIT-1 and AIT-2 on a basis that is equal in quality for all gas supplies transported or otherwise nominated under that rate schedule.

38.3 Informational Postings. All information required to be posted pursuant to the Commission's currently effective Standards of Conduct regulations will be provided on Algonquin's Internet Web Site under Informational Postings. Such information will be updated as required by applicable regulation(s) issued by the Commission.
39. COMPLAINT PROCEDURES

Complaints concerning Algonquin's compliance with Algonquin's Standards of Conduct procedures should be communicated to Algonquin with a designation that it is a Standards of Conduct regulation complaint and shall contain a clear and complete statement of the nature and basis of the complaint, together with supporting documentation, if any. Information regarding the appropriate contact personnel shall be posted on Algonquin's Internet Web Site. Algonquin shall respond initially within forty-eight (48) hours and in writing within thirty (30) days to such complaints. In the event the required date of Algonquin's response falls on a Saturday, Sunday, or a holiday that affects Algonquin, Algonquin shall respond by the next Business Day.
40. **ELECTRONIC COMMUNICATION**

40.1 **System Description**

(a) Algonquin provides for interactive electronic communications with its Customers and other parties through the LINK® Customer Interface System (hereinafter called the "LINK® System"). The LINK® System shall be available on a nondiscriminatory basis to any party (such party is referred to herein as the "LINK® System Subscriber"), provided that such party (i) has a currently effective Valid Service Agreement, has executed a LINK® System Agreement prior to March 11, 2009, or has executed a LINK® System Agreement electronically via the LINK® System on or after March 11, 2009, (ii) has established its business entity in the LINK® System by submitting Contact Information pursuant to Section 40.4(a) below, (iii) has designated a Local Security Administrator pursuant to Section 40.3 below, and (iv) if such party desires to transmit information to or receive information from Algonquin via electronic data interchange, has a trading partner agreement along with a related exhibit and worksheet (collectively referred to as the “Trading Partner Agreement”) that was executed prior to September 1, 2013, or has requested and executed a Trading Partner Agreement electronically via the LINK® System on or after September 1, 2013. A party to a LINK® System Agreement or a Trading Partner Agreement is responsible for ensuring that the individual executing such agreement on its behalf has the appropriate authority. Use of the LINK® System by such individual is acknowledgement of that authority. Algonquin shall not be responsible for verifying the authority of an individual to execute a LINK® System Agreement or a Trading Partner Agreement on behalf of a party. For purposes of this Section 40 and the form of LINK® System Agreement only, a "Valid Service Agreement" includes:

1. any service agreement pursuant to any of Algonquin's Rate Schedules;
2. any service agreement pursuant to any of the Rate Schedules of Big Sandy Pipeline, LLC;
3. any service agreement pursuant to any of the Rate Schedules of Bobcat Gas Storage;
4. any service agreement pursuant to any of the Rate Schedules of East Tennessee Natural Gas, LLC;
5. any service agreement pursuant to any of the Rate Schedules of Egan Hub Storage, LLC;
6. any contract between Customer and Moss Bluff Hub, LLC;
7. any service agreement pursuant to any of the Rate Schedules of Ozark Gas Transmission, L.L.C.;
8. any service agreement pursuant to any of the Rate Schedules of Saltville Gas Storage Company L.L.C.;
(9) any service agreement pursuant to any of the Rate Schedules of Texas Eastern Transmission, LP;

(10) a capacity release umbrella agreement between Customer and any of the entities identified herein.

For parties with a LINK® System Agreement dated prior to September 22, 2004, such LINK® System Agreement is hereby superseded by the provisions of this Section 40.

By accessing the LINK® System, LINK® System Subscriber agrees to comply with the procedures for access to and use of the LINK® System as set forth in this Section 40.

Algonquin reserves the right to implement enhancements to the LINK® System at its sole discretion; provided however, all such enhancements when fully operational shall be available to all LINK® System Subscribers. Algonquin will exercise due diligence to ensure the LINK® System operates correctly and will provide timely and non-discriminatory access to on-line LINK® System help features and to any information available on the LINK® System that LINK® System Subscriber is entitled to access.

(b) The LINK® System provides on-line help, a search function that permits a LINK® Subscriber to locate information concerning a specific transaction, and menus that permit LINK® System Subscribers to separately access notices of available capacity, records in the transportation request log, and standards of conduct information. The LINK® System will permit a LINK® System Subscriber to electronically download information on transactions from the LINK® System and to separate extremely large documents into smaller files prior to such download. Algonquin shall maintain and retain daily back-up records of the information displayed on the LINK® System and the Web Site and through electronic data interchange for three years and shall permit LINK® System Subscriber to review those records upon request. Completed transactions will remain on the LINK® System for at least ninety days after completion and will then be archived. Archived information will be made available by Algonquin if possible within two weeks after receipt of a Customer's request for such information. Information on the most recent entries will appear ahead of older information.

(c) Customers' Notices pursuant to Section 14 of the General Terms and Conditions shall be submitted electronically and, in addition, posted electronically by the Customer via the LINK® System. Electronic communications may also be transmitted, where applicable, via electronic data interchange, which will be available on a nondiscriminatory basis to
any LINK® System Subscriber, provided such LINK® System Subscriber has entered into a Trading Partner Agreement with Algonquin pursuant to Section 40.1(a) above. Specifically, a LINK® System Subscriber has the option of utilizing the LINK® System for purposes of:

1. requesting service under Algonquin's rate schedules set forth in Volume No. 1 of Algonquin's FERC Gas Tariff;
2. executing, tracking and amending certain service agreements under Algonquin's rate schedules set forth in Volume No. 1 of Algonquin's FERC Gas Tariff;
3. providing nominations and viewing allocations and operational imbalances under all rate schedules as a Customer of Algonquin pursuant to the applicable rate schedule and the General Terms and Conditions;
4. exercising its rights as a Customer of Algonquin pursuant to Section 9 of the General Terms and Conditions or submitting a bid as a Replacement Customer of Algonquin under such section;
5. exercising its rights as a Customer of Algonquin pursuant to Section 14 of the General Terms and Conditions (which if submitted utilizing the LINK® System will be posted at that time) or submitting a bid as a Replacement or Prearranged Customer of Algonquin pursuant to such section, or posting a Capacity Request for capacity release pursuant to such section;
6. viewing those Point(s) of Receipt and Points(s) of Delivery that are subject to an Operational Balancing Agreement pursuant to Section 30 of the General Terms and Conditions;
7. viewing and downloading operational data for any Gas Day on the second subsequent Gas Day;
8. viewing Algonquin's notice of an OFO as contemplated by Section 29 of the General Terms and Conditions;
9. effectuating Imbalance Netting and Trading pursuant to Sections 25.8 and 25.9 of the General Terms and Conditions;
10. requesting a discount of the maximum Recourse Rate(s) for service under Algonquin's Open-access Rate Schedules or viewing such discounts previously granted; and
11. such other functions as may be available on the LINK® System from time to time.

40.2 Information. Algonquin shall post at least four times a day on the LINK® System and the Web Site information relevant to the availability of firm and interruptible capacity at Points of Receipt, on the mainline, and at Points of Delivery. The LINK® System and the Web Site will indicate whether the capacity is available from Algonquin directly or through Algonquin's capacity release mechanism as set forth in Section 14 of the General Terms and Conditions. The LINK® System and the Web Site shall provide the best available information about imbalances on an hourly and a daily basis. The LINK® System and the Web Site also include
information allowed or required to be posted thereon by other provisions of the tariff including Section 14, information that Algonquin is required to post pursuant to the Commission's regulations, or other information Algonquin chooses to post in furtherance of the operation of its system.

40.3 Local Security Administrators

(a) LINK® System Subscriber shall designate one or more persons to perform certain security functions on the LINK® System ("Local Security Administrator") by submitting for each such person the Local Security Administrator Designation information via the LINK® System using the applicable on-line form, as such form is amended from time to time in the LINK® System. LINK® System Subscriber shall update Local Security Administrator Designation information via the LINK® System as such information changes.

(b) The Local Security Administrator shall, via the LINK® System, be responsible for (1) identifying those persons who are duly authorized by LINK® System Subscriber to use the LINK® System to perform one or more of the functions available on the LINK® System ("LINK® System User"); (2) providing LINK® System Users with individualized USERIDs and passwords; (3) maintaining LINK® System Users' account information; (4) adding and terminating LINK® System Users immediately upon a change in status requiring such addition or termination; (5) creating and modifying security rights for LINK® System Users; (6) approving or terminating Designation of Affiliated Companies information and Designation of Agency information pursuant to Sections 40.5 and 40.6, respectively; and (7) ensuring that USERIDs are used only as appropriate and as contemplated by these General Terms and Conditions and the LINK® System Agreement.

(c) Algonquin shall be entitled to rely upon the representation of the LINK® System Subscriber's Local Security Administrator that the LINK® System User(s) identified by the Local Security Administrator may (i) transmit information to Algonquin; (ii) view information posted on the LINK® System; and/or (iii) perform the LINK® System contracting function in accordance with the security rights granted by Local Security Administrator.

40.4 Authorized Use of LINK® System; Confidentiality

(a) LINK® System Subscriber shall submit Contact Information to Algonquin via the LINK® System using the applicable on-line form, as such form is updated from time to time in the LINK® System. In addition, LINK® System Subscriber shall be required to submit updated Contact
Information to Algonquin via the LINK® System as such information changes. Such revised information shall supersede in its entirety any Contact Information previously submitted to Algonquin.

(b) LINK® System Subscriber shall not disclose to persons other than Local Security Administrator and LINK® System Users that are employed by LINK® System Subscriber, or properly designated affiliates or agents of LINK® System Subscriber, and shall otherwise keep confidential, all USERIDs and passwords issued by Local Security Administrator. In addition, LINK® System Subscriber shall cause Local Security Administrator and LINK® System User(s) to refrain from disclosing to any other person, whether or not employed by LINK® System Subscriber, and shall otherwise keep confidential, the individualized USERID and password issued to each such LINK® System User.

(c) LINK® System Subscriber shall be solely responsible for any unauthorized or otherwise improper use of USERIDs and passwords issued by or for its Local Security Administrator, including, but not limited to, the use of such USERIDs and passwords by LINK® System Users who are not within LINK® System Subscriber's employment or control.

(d) Algonquin reserves the right to disable for due cause any USERID issued to any LINK® System User. Algonquin shall provide notice to LINK® System Subscriber, LINK® System User and/or Local Security Administrator, as applicable, at the time that the USERID is disabled by Algonquin. In addition, upon thirty (30) days prior notice to the LINK® System User and the Local Security Administrator, Algonquin will disable any USERID that has not been used to access the LINK® System for fifteen (15) consecutive months.

(e) LINK® System Subscriber shall immediately notify Algonquin of the desire to delete a Local Security Administrator of LINK® System Subscriber by (i) e-mail to link-help@enbridge.com, or (ii) submission via the LINK® System using the applicable on-line form of revised Local Security Administrator Designation information for such Local Security Administrator indicating the desire for termination. Such revised information shall supersede in its entirety any Local Security Administrator Designation information previously submitted to Algonquin for such Local Security Administrator. LINK® System Subscriber shall be solely responsible for any unauthorized actions of Local Security Administrator due to LINK® System Subscriber's failure to so notify Algonquin of the need to delete such Local Security Administrator.
(f) Algonquin warrants that, without the express consent of LINK® System Subscriber or as otherwise provided in this FERC Gas Tariff, no Algonquin employee or agent will disclose to any third party any non-public information regarding research performed through the use of the LINK® System by LINK® System Subscriber.

(g) Any manual forms received by Algonquin prior to September 1, 2007 related to Contact Information, Designation of Agency, or Designation of Affiliated Companies, and any Local Security Administrator Designation Forms received by Algonquin prior to March 11, 2009, shall remain in full force and effect until the earlier of (i) termination by the LINK® System Subscriber or (ii) receipt of superseding information submitted pursuant to this Section 40.

40.5 LINK® System Subscriber; Affiliated Companies

(a) If LINK® System Subscriber belongs to a group of affiliated companies and requires LINK® System access on behalf of one or more of said affiliates, LINK® System Subscriber (i) shall, or shall cause one of the affiliates of LINK® System Subscriber to, submit to Algonquin via the LINK® System the Designation of Affiliated Companies information, and (ii) shall cause all other parties included in the affiliation to approve the Designation of Affiliated Companies information via the LINK® System. The Designation of Affiliated Companies information shall be submitted and approved via the applicable on-line form, as such form is updated from time to time in the LINK® System. The submission pursuant to item (i) herein shall be deemed to be the submitting party’s approval of the Designation of Affiliated Companies information.

(b) When Designation of Affiliated Companies information changes, the LINK® System Subscriber shall cause revised Designation of Affiliated Companies information to be submitted and approved pursuant to Section 40.5(a) above. Such revised information shall supersede in its entirety any Designation of Affiliated Companies information previously submitted to Algonquin. LINK® System Subscriber warrants that access consistent with any Designation of Affiliated Companies information submitted and approved by LINK® System Subscriber and its affiliates in accordance with Section 40.5(a) above or manually submitted prior to September 1, 2007, pursuant to Section 40.4(g) above is appropriate and authorized. Determining the propriety of such access is the responsibility of LINK® System Subscriber and/or its affiliates, but Algonquin reserves the right to reject such Designation of Affiliated Companies information if it determines that granting such designation would violate any contractual, legal, or regulatory responsibility of Algonquin.
(c) In order for LINK® System Users of LINK® System Subscriber to access the LINK® System on behalf of LINK® System Subscriber's affiliates designated pursuant Section 40.5(a) above, LINK® System Subscriber and each designated affiliate of LINK® System Subscriber must meet the requirements of a LINK® System Subscriber set forth in Section 40.1(a) of these General Terms and Conditions.

(d) It is the obligation of the LINK® System Subscriber to notify Algonquin via the LINK® System when a company affiliation terminates, either by (i) submitting a request to terminate a company affiliation via the applicable on-line form, as such form is updated from time to time in the LINK® System, or (ii) submitting and approving superseding Designation of Affiliated Companies information in accordance with Section 40.5(a). An affiliate may request a termination of the company affiliation by submitting such request via the LINK® System. A request to terminate a company affiliation will be processed by Algonquin without consent from the non-requesting party.

40.6 LINK® System Subscriber; Agency

(a) If LINK® System Subscriber desires to designate one or more persons or entities to act as an agent on behalf of LINK® System Subscriber ("Agent"), then for each such Agent, the LINK® System Subscriber (i) shall, or shall cause the Agent to, submit to Algonquin via the LINK® System the Designation of Agency information specifying the rights granted to the Agent and (ii) shall cause the other party to the agency relationship to approve the Designation of Agency information. The Designation of Agency information shall be submitted and approved via the applicable on-line form, as such form is updated from time to time in the LINK® System. The submission pursuant to item (i) herein shall be deemed to be the submitting party's approval of the information. Algonquin may require that LINK® System Subscriber provide additional documentation to confirm that LINK® System Subscriber desires Agent to act on its behalf.

(b) In order for LINK® System Users of an Agent designated pursuant to Section 40.6(a) above to access the LINK® System on behalf of LINK® System Subscriber, such Agent must meet the requirements of a LINK® System Subscriber set forth in Section 40.1(a) of these General Terms and Conditions.

(c) Algonquin may accept and fully rely upon Designation of Agency information submitted and approved in accordance with Section 40.6(a) above or manually submitted prior to September 1, 2007, in accordance with Section 40.4(g) above. Algonquin may fully rely upon all
communications received from and direction given by Agent with respect to all actions indicated in the approved Designation of Agency information for which Agent is authorized to act on behalf of LINK® System Subscriber. Algonquin may grant Agent access to LINK® System Subscriber's data contained in the LINK® System as necessary to perform the functions identified in the approved Designation of Agency information. LINK® System Subscriber will defend, indemnify and hold harmless Algonquin from and against any and all claims, demands, liabilities and/or actions, and/or any and all resulting loss, costs, damages, and/or expenses (including court costs and reasonable attorney's fees) of any nature whatsoever, that may be asserted against or imposed upon Algonquin by any party associated with Algonquin's reliance on Designation of Agency information provided pursuant to this Section 40.6.

(d) The rights specified in the approved Designation of Agency information having the latest commencement date shall supersede all prior rights granted by LINK® System Subscriber to Agent. In no event can an agency right granted to one Agent be simultaneously granted to another Agent.

It is the obligation of the LINK® System Subscriber to notify Algonquin when an agency relationship changes or terminates, either by (i) specifying a termination date in the approved Designation of Agency information, (ii) submitting a request to terminate an agency relationship via the LINK® System using the applicable on-line form, as such form is updated from time to time in the LINK® System, or (iii) submitting and approving superseding Designation of Agency information in accordance with Section 40.6(a). The Agent may request a termination of the agency relationship by submitting such request via the LINK® System. A request to terminate an agency relationship will be processed by Algonquin without consent from the non-requesting party.

LINK® System Subscriber and Agent must re-approve existing Designation of Agency information via the LINK® System using the applicable on-line form, as such form is updated from time to time in the LINK® System, on an annual basis. If, during this annual re-approval process, either the LINK® System Subscriber or the Agent desires a change to the Designation of Agency information, new Designation of Agency information must be submitted and approved in accordance with Section 40.6(a) above. Algonquin shall remove the security rights granted to all LINK® System Users of Agent pertaining to access granted by LINK® System Subscriber pursuant to the Designation of Agency information if LINK® System Subscriber and Agent do not re-approve the existing Designation of Agency information or submit and approve updated Designation of Agency information on an annual basis.
40.7 Liability

(a) Algonquin shall not be liable to LINK® System Subscriber nor any other party in damages for any act, omission or circumstance related to the LINK® System occasioned by or in consequence of an event of Force Majeure as defined in Section 16 of these General Terms and Conditions, that is not within the control of Algonquin and which by the exercise of due diligence Algonquin is unable to prevent or overcome. To the extent the information displayed on the LINK® System is originated solely by Algonquin and such information is subsequently determined to be inaccurate, LINK® System Subscriber shall not be subject to any penalties otherwise collectable by Algonquin based on Customer conduct attributable to such inaccuracy during the period the inaccurate information was displayed on the LINK® System.

(b) LINK® System Subscriber shall defend, indemnify and hold harmless Algonquin from and against any and all claims, demands and/or actions, and any and all resulting loss, costs, damages, and/or expenses (including court costs and reasonable attorney's fees) of any nature whatsoever, that may be asserted against or imposed upon Algonquin by any party as a result of the unauthorized or otherwise improper use of any USERID and/or password issued to or by LINK® System Subscriber and/or Local Security Administrator or any other unauthorized or improper use of the LINK® System by any LINK® System User or LINK® System Subscriber unless such improper use is the result of Algonquin's negligence or willful misconduct, including, but not limited to, distribution of USERIDs or passwords to persons that are not employed by, or agents or affiliates of, LINK® System Subscriber.

40.8 Electronic Mail (E-mail) Notification. For system-wide notices of general applicability, any provisions of this FERC Gas Tariff requiring that these matters be written or in writing are satisfied by Algonquin utilizing electronic transmission through the LINK® System in accordance with the procedures for
utilization of the LINK® System or through electronic data interchange as provided for in Commission-approved or permitted data sets. Critical system-wide notices will be in a separate category from notices that are not critical. Algonquin will use electronic mail (e-mail) in order to facilitate certain notifications to Customers as required by this FERC Gas Tariff. Customer shall provide Algonquin with at least one e-mail address to which these notifications can be sent, and shall be responsible for updating such information as necessary. In addition to the requirement specified in Sections 24.3, 26.6 and 29.3 of these General Terms and Conditions to post notices on the LINK® System, Algonquin shall provide such notifications via e-mail communication to those Customers that have provided such e-mail address information and have requested, via the LINK® System, e-mail notification of critical notices issued by Algonquin. Customer shall be responsible for providing accurate e-mail notification information to Algonquin, including timely updates to such information as necessary. All other provisions, including service agreement-specific notices, requiring items or information to be written or in writing remain unchanged unless otherwise agreed by Algonquin and Customer.

40.9 **Rights to LINK® System.** Algonquin or an affiliate of Algonquin is the exclusive proprietor of the programming that generates the LINK® System and of all the copyrights and proprietary interests therein, except insofar as any third party (whose materials are made available in the files of the LINK® System under license to Algonquin or an affiliate of Algonquin) possesses a copyright or proprietary interest in such materials, but not of the files of and the information displayed on the LINK® System. A LINK® System Subscriber will not by virtue of this Section 40 or the executed LINK® System Agreement acquire any proprietary interests in the programming that generates the LINK® System. As part of Algonquin's continuing development of the LINK® System, third parties may desire to acquire rights to certain parts of the programming. Algonquin will attempt to accommodate, when appropriate, requests by LINK® System Subscribers to license these rights for use in the LINK® System.
41. **REVENUE CREDITS**

41.1 **Interruptible Transportation and Park and Loan Service**

(a) **Applicability.** The credit available under this Section 41.1 for revenues under Rate Schedules AIT-1 and PAL shall apply to all Service Agreements under firm Part 284 transportation service rate schedules, except for Service Agreements for service on the Manchester Street Lateral, the Canal Lateral, the Cape Cod Lateral, the Northeast Gateway Lateral, the J-2 Facility, the Kleen Energy Lateral, the Salem Lateral, and the West Roxbury Lateral under Rate Schedule AFT-CL. The credit available under this Section 41 for revenues under Rate Schedule AIT-2 attributable to service on the Manchester Street Lateral shall apply only to Service Agreements for service on the Manchester Street Lateral under Rate Schedule AFT-CL. The credit available under this Section 41 for revenues under Rate Schedule AIT-2 attributable to service on the Canal Lateral shall apply only to Service Agreements for service on the Canal Lateral under Rate Schedule AFT-CL. The credit available under this Section 41 for revenues under Rate Schedule AIT-2 attributable to service on the Cape Cod Lateral shall apply only to Service Agreements for service on the Cape Cod Lateral under Rate Schedule AFT-CL. The credit available under this Section 41 for revenues under Rate Schedule AIT-2 attributable to service on the Northeast Gateway Lateral shall apply only to Service Agreements for service on the Northeast Gateway Lateral under Rate Schedule AFT-CL. The credit available under this Section 41 for revenues under Rate Schedule AIT-2 attributable to service on the J-2 Facility shall apply only to Service Agreements for service on the J-2 Facility under Rate Schedule AFT-CL. The credit available under this Section 41 for revenues under Rate Schedule AIT-2 attributable to service on the Kleen Energy Lateral shall apply only to Service Agreements for service on the Kleen Energy Lateral under Rate Schedule AFT-CL.

(b) **Basis of the Credit.** Revenues to which the credit under this Section 41.1 shall apply ("Eligible Revenues") shall be the revenues actually received by Algonquin under Rate Schedules AIT-1 and PAL or Rate Schedule AIT-2 (for interruptible services that have not been allocated cost of service) that are attributable to commodity charges and authorized overrun charges but not including imbalance resolution charges, scheduling penalties, unauthorized contract overrun penalties, GRI, ACA, revenues attributable to Section 8 of Rate Schedule PAL, or any other such charges or surcharges.
(c) Percentage of Eligible Revenues.

(i) Rate Schedules AIT-1 and PAL. Beginning with the Month following the Month in which Algonquin's cumulative annual revenues stemming from commodity charges and authorized overrun charges under Rate Schedules AIT-1 and PAL exceed the dollar amount allocated to Rate Schedules AIT-1 and PAL in Algonquin's currently effective rates ("Excess Eligible Revenues"), Algonquin shall credit to current Month invoices under the applicable rate schedules 90% of the Excess Eligible Revenues received during the prior Month. For purposes of determining cumulative annual revenues under Rate Schedules AIT-1 and PAL, the annual period shall commence on May 1 of each year. In the event that two or more maximum rates for service under Rate Schedules AIT-1 and PAL are applicable during the same twelve month period beginning on May 1, the threshold for revenue crediting hereunder shall consist of a time-weighted average of the amounts allocated to Rate Schedules AIT-1 and PAL during the periods when the various AIT-1 and PAL rates are in effect. Algonquin shall retain the remainder of the Eligible Revenues and Excess Eligible Revenues not required to be credited or refunded.

(ii) Rate Schedule AIT-2. Beginning with the Month following the Month in which Algonquin's cumulative annual revenues stemming from commodity charges and authorized overrun charges under Rate Schedule AIT-2 exceed the dollar amount allocated to Rate Schedule AIT-2 in Algonquin's currently effective rates ("Excess Eligible Revenues"), if any, Algonquin shall credit to current Month invoices under the applicable rate schedules 50% of the Excess Eligible Revenues received during the prior Month. For purposes of determining cumulative annual revenues under Rate Schedule AIT-2, the annual period shall commence on May 1 of each year. In the event that two or more maximum rates for service under Rate Schedule AIT-2 are applicable during the same twelve month period beginning on May 1, the threshold for revenue crediting hereunder shall consist of a time-weighted average of the amounts allocated to Rate Schedule AIT-2 during the periods when the various AIT-2 rates are in effect. Algonquin shall retain the remainder of the Eligible Revenues and Excess Eligible Revenues not required to be credited or refunded.

(d) Apportionment of Eligible Revenues. Eligible Revenues attributable to a Month shall be apportioned among all Customers under the applicable rate schedules by applying the following ratio for each Customer: (a) the
Customer's total MDTQ in effect during that Month under the applicable rate schedules (b) divided by the summation of the total MDTQs in effect during that Month for all Customers under the applicable rate schedules; provided, however, that no Customer shall receive a credit under this Section 41.1 in excess of its reservation charges under the applicable rate schedules for that Month, with such excess being reallocated to the other Customers under the applicable rate schedule in accordance with the above ratios.

(e) **Credits Subject to Refund.** In the event that any revenues credited pursuant to Section 41.1 are subject to refund, and are ultimately required to be refunded to Customers under Rate Schedules AIT-1 and PAL or Rate Schedule AIT-2, Algonquin shall recalculate the revenue credits that would have been due to Customer if the AIT-1 and PAL rates or AIT-2 rate, respectively, used for purposes of the refund computation had been in effect at the time of the required credit, and shall bill Customer for the differences between revenues actually credited, and the recalculated revenue credit, plus interest at the rate prescribed by the Commission's regulations.

### 41.2 Retained Upstream Capacity Release Credits

(a) **Applicability.** The credit available under this Section 41.2 shall apply to all firm rate schedules except Rate Schedule AFT-CL.

(b) **Basis of the Credit.** Revenues to which the credit under this Section 41.2 shall apply ("Eligible Capacity Release Revenues") shall be the revenues actually received by Algonquin that are attributable to demand charges paid by parties to which Algonquin has released upstream capacity rights held by Algonquin, to the extent that the costs of such rights have been reflected in the rates paid by Customers under the rate schedules identified in Section 41.2(a).

(c) **Apportionment of Eligible Capacity Release Revenues.** Eligible Revenues attributable to a Month shall be apportioned among all Customers under the applicable rate schedules by applying the following ratio for each Customer: (i) the Customer's total MDTQ in effect during that Month under the applicable rate schedules, (ii) divided by the summation of the total MDTQs in effect during that Month for all Customers under the applicable rate schedules, provided that, in the case of a Customer paying less than the maximum reservation charge during any Month, the Customer's MDTQ for purposes of both (i) and (ii) above shall be reduced in the same proportion as the reservation charge paid bears to the maximum reservation charge.
42. FEES AND CONSTRUCTION OF NEW FACILITIES

42.1 In addition to any other charges due under the applicable rate schedule, except as provided in Section 42.2 herein, Customer shall reimburse Algonquin for the following:

(a) The costs of any facilities installed by Algonquin with Customer’s consent to receive, measure, transport or deliver natural gas for the account of Customer; and

(b) Any and all filing and approval fees required in connection with Customer's service agreement that Algonquin is obligated to pay to the FERC or any other governmental authority having jurisdiction.

Any reimbursement due Algonquin by Customer pursuant to this Section 42.1 shall be due and payable to Algonquin within ten days of the date of Algonquin's invoice(s) for same; provided, however, subject to Algonquin’s consent, such reimbursement, plus carrying charges thereon, may be amortized over a mutually agreeable period not to extend beyond the primary contract term of the service agreement between Algonquin and Customer. Carrying charges shall be computed utilizing interest factors acceptable to both Algonquin and Customer.

42.2 Algonquin may waive from time to time, at its discretion, all or a portion of the facility cost reimbursement requirement set forth in Section 42.1 if Customer provides Algonquin adequate assurances of transportation throughput to make construction of the facilities economical to Algonquin. All requests for waiver shall be handled by Algonquin in a manner which is not unduly discriminatory. For purposes of determining whether a project is economical, Algonquin will evaluate projects on the basis of various economic criteria, which will include the estimated transportation throughput, cost of the facilities, operating and maintenance, administrative and general expenses attributable to the facilities, the revenues Algonquin estimates will be generated as a result of such construction, and the availability of capital funds on terms and conditions acceptable to Algonquin. In estimating the revenues to be generated, Algonquin will evaluate the existence of capacity limitations downstream of the facilities, the marketability of the capacity, the location of the markets, the interruptible versus the firm nature of the transportation service, and other similar factors which impact whether the available deliverability will actually be transported.
43. REPORTS WITH RESPECT TO TARIFF

43.1 Fuel and System Balancing.

(a) Fuel Reimbursement Quantity. On an annual basis, Algonquin files its Fuel Reimbursement Quantity ("FRQ") report in accordance with Section 32 of the General Terms and Conditions. The FRQ report contains: (1) the revised Fuel Reimbursement Percentages ("FRPs") for the calendar year beginning in December, (2) a workpaper supporting the revised fuel requirements, (3) the calculation of under- or over-realization of in-kind compensation gas calculated pursuant to Section 32.5.

(b) System Balancing Account. The annual FRQ filing described above in Section 43.1(a) shall include a report detailing monthly operational gas purchases and sales, volumes, the average unit price, the net cost/revenue from such purchases/sales and an explanation of the purpose of any operational purchases/sales. Additionally, the report shall include (1) workpapers showing the monthly activity in the system balancing account related to operational gas purchases and sales, the value of imbalance cash-outs for the period of August 1, through July 31 of each year, and any amounts debited or paid pursuant to Section 29.4, (2) the calculation of the monthly carrying charges on the system balancing account balance, and (3) the computation of the system balancing surcharge per Dth or system balancing credit per Dth for the system balancing account balance as of July 31, of each year. Algonquin shall include in such surcharge or credit any over- or under-recovery by Algonquin in the previous annual period.

43.2 Penalty Revenue Disbursement. Algonquin files its Penalty Revenue Disbursement report in accordance with Sections 23.4(e), 24.8, 26.9, and 31 of the General Terms and Conditions, on an annual basis or within sixty (60) days after the revenue collected pursuant to any of those sections reaches the dollar amount specified in those sections. The Penalty Revenue Disbursement report reflects the amount to be remitted to each Non-offending Customer pursuant to each of the referenced sections, as well as the applicable interest to be included in the remittance to each Non-offending Customer.

43.3 Contact Information.

All contact with respect to the reports submitted pursuant to this Section 43 should be made to:

Christopher Harvey
Director, Regulatory
Algonquin Gas Transmission, LLC
44. **NORTH AMERICAN ENERGY STANDARDS BOARD ("NAESB")**

Compliance with 18 CFR, Section 284.12

Algonquin has adopted the Business Practices and Electronic Communication Standards, NAESB WGQ Version 3.1, which are required by the Commission in 18 CFR Section 284.12(a), as indicated below. 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 the 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, Algonquin 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 Algonquin includes appropriate citations in the submission.

Algonquin has elected to reproduce only the following Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.1, that are protected by NAESB’s copyright. With respect to each reproduced standard, Algonquin incorporates the following: © 1996 – 2017 NAESB, all rights reserved.

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NAESB WGQ
Standard No. Waiver or Extension of Time

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45. **DISCOUNT TERMS**

45.1 Any Customer desiring a discount of the maximum Recourse Rates for service under Algonquin's Open-access Rate Schedules must submit a valid request for such discount pursuant to the procedures of this Section 45. To be considered a valid request, Customer must complete and submit a request for discount via the LINK® System, specifically including the information for all mandatory fields. Upon receipt of a valid request for a discount, Algonquin will log such request and either deny or grant such request.

45.2 In the event that Algonquin agrees to discount its maximum rates under any of its Open-access Rate Schedules, Algonquin and Customer may agree to the types of discounts specified herein without such discounts constituting a material deviation from Algonquin's pro forma service agreement. Algonquin and Customer may agree that a specified discounted rate will apply: (i) only to specified quantities under the service agreement; (ii) only if specified quantities are achieved or only with respect to quantities below a specified level; (iii) only during specified periods of the year or for a specifically defined period; (iv) only to specified points, combination of points, markets, transportation paths or other defined geographic area(s); (v) only in a specified relationship to the quantities actually delivered (i.e., that the reservation charge will be adjusted in a specified relationship to quantities actually delivered); (vi) so that the applicable rate may be adjusted in the following manner: when one rate component, which was equal to or within the applicable maximum and minimum Recourse Rates at the time Customer received the Discount Confirmation pursuant to Section 45.4 below specifying the terms of the discount, subsequently exceeds the applicable maximum Recourse Rate or is below the applicable minimum Recourse Rate, so that such rate component must be adjusted downward or upward to equal the new applicable maximum or minimum Recourse Rate, then other rate components may be adjusted upward or downward to achieve the agreed-upon overall rate, so long as none of the resulting rate components exceed the maximum Recourse Rate or are below the minimum Recourse Rate applicable to the rate component (such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised Statements of Rates; however, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable); and/or (vii) based upon published index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points for price determination (such discounted rate may be based upon a single published index price or the differential between published index prices or arrived at by formula; provided that the discounted rate shall not change the underlying rate design, shall not include any minimum bill or minimum take obligation, and shall define the rate component to be discounted). Notwithstanding the foregoing, no discounted rate shall be less than the applicable minimum rate.
45.3 In the event that Algonquin rejects Customer's request for a discounted rate, Algonquin shall notify Customer via e-mail of the reason for such rejection.

45.4 The terms of any discount request granted by Algonquin pursuant to this Section 45 shall be transmitted by e-mail to Customer in the form of a Discount Confirmation. The Discount Confirmation shall identify the applicable Customer's name, contract number, rate schedule, term of the discount, discount rate, applicable quantities, point(s) of receipt and delivery, and/or the Algonquin path being discounted. The Discount Confirmation may also include other information required for posting under the Commission's regulations and other conditions consistent with Section 45.2. No particular discount transaction shall be contractually binding on either Algonquin or Customer until Algonquin has confirmed the terms of the discount upon Algonquin’s e-mail to Customer of the Discount Confirmation for the transaction, subject to the underlying service agreement being fully executed. All discounts granted shall be effective no sooner than the beginning of the next Gas Day following the Gas Day on which the request is granted by Algonquin. Once the discount is contractually binding, the Discount Confirmation will constitute an addendum to the underlying service agreement. Each such addendum is an integral part of the underlying service agreement as if executed by both parties and fully copied and set forth at length therein.

45.5 If Algonquin's Recourse Rates are subject to refund at any time during the effectiveness of a Discount Confirmation, with respect to the applicable discounted rate, Customer shall be entitled to refunds of payments made by Customer only in the event that the final, non-appealable maximum Recourse Rate, whether usage-based or reservation-based, as determined by the Commission for a given time period is lower than the rate actually paid by Customer during such time period. Subject to the condition precedent set forth in the immediately preceding sentence, Customer's principal refund amount shall be equal to (i) with respective to usage-based rates, the product of (aa) the positive difference between the final, non-appealable maximum Recourse Rate and the discounted rate, and (bb) the quantities of gas delivered to Customer, or for Customer's account, during the refund period; and (ii) with respect to reservation-based rates, the product of (cc) the positive difference between the final, non-appealable maximum Recourse Rate and the discounted rate, (dd) the MDTQ covered by the discounted rate, and (ee) the number of months in the refund period (partial months shall be prorated for the number of days in the month that fall within the refund period and a discounted rate that is not a monthly rate shall be adjusted for purposes of this calculation to reflect the monthly equivalent of the rate).
46. **NEGOTIATED RATES**

Algonquin and Customer may mutually agree on a Negotiated Rate or rate formula with respect to rates, rate components, charges, or credits differing from the otherwise applicable tariff rate under Rate Schedules AFT-E, AFT-ES, AFT-1, AFT-1S, AIT-1, TTT, AFT-CL, PAL and/or AIT-2.

46.1 **Definition**

A Negotiated Rate may be less than, equal to, or greater than the maximum Recourse Rate and/or the minimum rate; may be a rate design other than the straight fixed-variable; and may include a minimum quantity. The Recourse Rates will be available to any Customer that does not wish to negotiate a rate.

46.2 **Limitations**

This Section 46 does not authorize the negotiation of terms and conditions of service.

46.3 **Bidding for Capacity**

The cap for bidding for capacity under the right of first refusal provisions of this tariff is the maximum Recourse Rate.

46.4 **Capacity Release**

(A) Except as expressly provided for in Section 14 of the General Terms and Conditions, the release of capacity under a Negotiated Rate agreement is capped at the maximum Recourse Rate; provided, however, the Negotiated Rate Customer will continue to be obligated to pay Algonquin the difference by which the Negotiated Rate exceeds the rate paid by the Replacement Customer. Algonquin and a Negotiated Rate Customer may agree upon payment obligations and crediting mechanisms, which vary from or are different from those set forth in Algonquin's capacity release provisions.

(B) To the extent that Algonquin agrees to a Negotiated Rate applicable to usage and/or fuel charges, Algonquin will consider, if requested by the Negotiated Rate Customer, and may agree with the Negotiated Rate Customer, on a not unduly discriminatory basis, to the terms and conditions pursuant to which Algonquin will offer such Negotiated Rate(s) to Replacement Customer(s). This agreement to flow through the Negotiated Rates for usage and/or fuel charges to a Replacement Customer will be documented as set forth in Section 46.7(A) below.
Any potential Replacement Customer that desires to acquire capacity on a temporary basis pursuant to Section 14 of the General Terms and Conditions may request via the LINK® System to pay the usage and/or fuel charges pursuant to Algonquin's recourse rates or pursuant to Customer’s Negotiated Rate. Algonquin shall grant the request to pay Customer’s Negotiated Rate (“Request”) if Algonquin determines, in a not unduly discriminatory manner, that Replacement Customer is similarly situated to Customer; provided however, any Replacement Customer acquiring capacity on a temporary basis under a service agreement for which Algonquin and Customer have agreed to the automatic pass-through of the Negotiated Rate pursuant to Section 46.4(B) above will be deemed to be similarly situated to Customer and Algonquin will be deemed to have granted the Request. In the event that Algonquin grants the Request and the potential Replacement Customer’s bid is the winning bid, the potential Replacement Customer’s Request will serve as its execution of the Negotiated Rate agreement and Algonquin’s award of the bid via the LINK® System will serve as Algonquin’s execution of the Negotiated Rate agreement for such Negotiated Rates and such agreement will be documented as set forth in Section 46.7(B) below. If Algonquin denies such Request or if the potential Replacement Customer does not request such negotiated rates, Algonquin’s recourse rates shall be applicable to any capacity awarded to such potential Replacement Customer. If Algonquin denies such Request, Algonquin shall notify the potential Replacement Customer via email of the reason(s) for the denial of the Request.

46.5 Accounting Treatment

Algonquin will establish a new sub-account to record the revenues received from any Negotiated Rate transactions and shall maintain supporting information at a level of detail that would be sufficient for Natural Gas Act Section 4 rate change filing purposes. Algonquin will keep separate and identifiable each volume transported, billing determinant, rate component, surcharge, and revenue associated with a Negotiated Rate to permit filings in the form of Statements G, I, and J in future rate proceedings.

46.6 Filing Requirement

Algonquin will file a Statement of Negotiated Rates prior to the commencement of service under a Negotiated Rate agreement or, for those Negotiated Rate agreements between Algonquin and a Replacement Customer that incorporate a Negotiated Rate for usage and/or fuel charges flowed through to the Replacement Customer pursuant to Section 46.4(C), as soon as reasonably practicable following the award of the capacity to the Replacement Customer pursuant to Section 14.6 of the General Terms and Conditions. The Statement of Negotiated Rates...
Rates will reflect the Customer's exact legal name, rate schedule, Negotiated Rate, the term of the Negotiated Rate, quantities, points of receipt and delivery to which the Negotiated Rate applies, the exact formula underlying a Negotiated Rate for any Negotiated Rate agreement, and any other rate-related terms that apply to the Negotiated Rate. Such Statement of Negotiated Rates also affirm that actual Negotiated Rate agreements do not deviate in any material respect from the form of service agreements.

46.7 Documentation

(A) With the exception of Negotiated Rates agreed upon pursuant to Section 46.4(C) above that are applicable to a temporary release of capacity, any Negotiated Rate agreed to by Algonquin and Customer pursuant to this Section 46 shall be implemented by Algonquin's completion of a pro forma Statement of Negotiated Rates with the applicable Negotiated Rate-related provisions as described in Section 46.6 herein. Algonquin shall tender such pro forma Statement of Negotiated Rates to Customer together with a transmittal letter for counter-execution by Customer, which transmittal letter shall have the sole purpose of memorializing Algonquin's and Customer's mutual agreement to the rate-related provisions reflected on such attached pro forma Statement of Negotiated Rates. After execution by both Algonquin and Customer, Algonquin shall file a Statement of Negotiated Rates with the Commission which shall contain rate-related provisions identical to the rate-related provisions reflected on the pro forma Statement of Negotiated Rates agreed to by Algonquin and Customer.

(B) Upon the completion of the capacity release process set forth in Section 14 of the General Terms and Conditions and the award of capacity on a temporary basis to Replacement Customer(s), any Negotiated Rates agreed upon and executed pursuant to Section 46.4(C) above shall be documented by Algonquin in a Statement of Negotiated Rates filed with the Commission and provided to the Replacement Customer(s).

46.8 Effective Date of Negotiated Rate

Any Negotiated Rate agreed to pursuant to this Section 46 shall become effective only after acceptance by the Commission; prior to such date the rate applicable to any such service shall be the maximum Recourse Rate.

46.9 Effect of Negotiated Rate

Customer, by agreeing to a Negotiated Rate, acknowledges that the otherwise generally applicable maximum Recourse Rate(s) shall not apply or be available to Customer for service under the applicable Service Agreement during the period...
for which the Negotiated Rate is effective, notwithstanding any adjustment to such generally applicable maximum Recourse Rate(s) which may become effective during the period for which the Negotiated Rate is effective. If, at any time during the period for which the Negotiated Rate is effective, Algonquin is collecting its effective maximum Recourse Rate(s) subject to refund under Section 4 of the Natural Gas Act, Algonquin shall have no refund obligation to Customer even if the final maximum Recourse Rate(s) are reduced to a level below the Negotiated Rate. Customer's right to receive credits relating to Algonquin's penalty revenue or other similar revenue, if any, applicable to service on Algonquin's system shall be governed by Algonquin's FERC Gas Tariff and any applicable Commission orders and/or regulations.
47. **OFF-SYSTEM PIPELINE CAPACITY**

From time to time, Algonquin may enter into transportation and/or storage agreements with other interstate or intrastate pipeline companies ("off-system pipeline"). In the event that Algonquin acquires capacity on an off-system pipeline, Algonquin will use such capacity for operational reasons and will only render service to Customers on the acquired capacity pursuant to Algonquin's FERC Gas Tariff and subject to Algonquin's approved rates, as such tariff and rates may change from time to time. For purposes of transactions entered into subject to this Section 47, the "shipper must have title" requirement is waived.
48. **SEGMENTATION, SECONDARY POINT RIGHTS AND RELATED SCHEDULING**

48.1 **Segmentation of Capacity.**

A. **By Means of Nomination.**

1. In addition to any other transportation rights under the applicable rate schedule and related service agreements, Algonquin shall receive, transport and deliver to or for the account of a Customer under Rate Schedule AFT-1, AFT-E, AFT-1S, AFT-ES and AFT-CL on a segmented basis scheduled quantities of gas to or from (i) any point within Customer's Base Flow Path, and (ii) any secondary points located outside of the Base Flow Path of such service agreement for the Gas Day subject to the following requirements:

   (a) aggregate quantities of gas received, transported or delivered under a Customer's Service Agreement, and, if such Service Agreement is the result of capacity release, the aggregate quantities of gas received, transported or delivered by all other Customers utilizing capacity rights derived from the original firm Service Agreement, shall not exceed the Customer's MDTQ or segment entitlements under such Service Agreement in any segment; and

   (b) such service on a segmented basis shall not impair Algonquin's ability to render firm service and shall not adversely affect system operating conditions.

2. For the purpose of determining whether any overlapping transactions exceed, in the aggregate (based on all relevant Customer utilization) the contractual entitlements of the original firm Service Agreement at any point (including, without limitation, the MDTQ or segment entitlements), a transaction that involves movement of gas in the same direction as that contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm Service Agreement and a transaction that involves movement of gas that is counter to the direction contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm Service Agreement that are nominated to the same delivery point for the same gas flow date and time shall not be deemed to be an overlap at that delivery point; provided, however, in no event shall Algonquin be obligated to deliver on a primary firm basis at that delivery point a quantity in excess of the...
MDDO applicable to that delivery point. For the purpose of determining whether any overlapping nominations in a segment exceed, in the aggregate (based on all relevant Customer utilization) the contractual entitlements of the original firm Service Agreement in any segment (including, without limitation, the MDTQ or segment entitlements), a transaction that involves movement of gas in the same direction as that contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm Service Agreement and a transaction that involves movement of gas that is counter to the direction contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm Service Agreement that are nominated on the same segment for the same gas flow date and time shall be deemed to be an overlap on that segment.

3. In the event that a Releasing Customer and/or its Replacement Customer(s) submit overlapping nominations which in sum exceed in any segment or at any point the level of entitlement for which the Releasing Customer originally contracted, the relative priority of each nomination shall be determined first according to the scheduling procedures in Sections 22 and 23 of the General Terms and Conditions and the Secondary Point priorities specified in Sections 48.2 and 48.3 below, and then by applying the overlap priorities provided in the Releasing Customer's Notice to release capacity pursuant to Section 14.4(a)(15) of the General Terms and Conditions. If the Releasing Customer fails to provide overlap priorities in its notice, Algonquin shall allocate capacity to the overlapping nominations pro rata based on nominations.

4. Unless the point at which gas is received or to which gas is delivered is designated in Customer's service agreement as having an MDRO or MDDO, and the quantity received or delivered is within the applicable contractual limits, such point shall be a Secondary Point. The scheduling and curtailment priority of such receipts and deliveries shall be set forth in Section 48.3 below.

B. **By Means of Capacity Release.**

Releasing Customers can also segment firm capacity in their Base Flow Path through capacity release in accordance with the provisions of Section 14 of the General Terms and Conditions of Algonquin's FERC Gas Tariff, subject to the requirement that the release or multiple releases do not increase the total contractual entitlements (including, without limitation, the MDTQ, MDRO or MDDO) above the contractual entitlements of the original firm Service Agreement in any segment or at any point. The right
to segment is subject to the requirement that aggregate quantities of gas received, transported or delivered under a Customer's Service Agreement, and, if such Service Agreement is the result of capacity release, the aggregate quantities of gas received, transported or delivered by all other Customers utilizing capacity rights derived from the original firm Service Agreement, shall not exceed the Customer's MDTQ under such Service Agreement in any segment.

Unless the point at which gas is received or to which gas is delivered is designated in Customer's Service Agreement as having an MDRO or MDDO, such point shall be a Secondary Point. The priority of deliveries to and from Secondary Points for scheduling, curtailment, and other tariff purposes shall be as set forth below in Section 48.3. As a general matter, Customers will have the right to utilize all Secondary Points so long as such use does not impair Algonquin's ability to render firm service, does not adversely affect Customers firm contractual rights, and/or does not adversely affect the safe and reliable operation of Algonquin's system.

48.2 Secondary Points.

(a) In addition to the primary Point(s) of Receipt and/or Delivery available under Customer's AFT-1, AFT-E, AFT-1S and AFT-ES service agreement(s), a Customer under Rate Schedules AFT-1, AFT-E, AFT-1S and AFT-ES may schedule and tender/deliver any quantity of gas at (i) any secondary Point(s) of Receipt on Algonquin's system or (ii) any secondary Point(s) of Delivery on Algonquin's system, including in excess of the MDRO and MDDO stated in the executed service agreement (but capped at the original firm contract holder's total MDTQ), with the exception that a transaction that involves movement of gas in the same direction as that contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm service agreement and a transaction that involves movement of gas that is counter to the direction contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm service agreement that are nominated to the same delivery point at the same time shall not be deemed to be an overlap of the MDTQ at that delivery point); provided, however, that Algonquin shall not be obligated to deliver a total quantity in excess of the total MDDO on a primary firm basis.

In addition to the primary Point(s) of Receipt and/or Delivery available under Customer's AFT-CL service agreement(s), a Customer under Rate Schedule AFT-CL may schedule and tender/deliver any quantity of gas at (i) any secondary Point(s) of Receipt on the applicable lateral or (ii) any secondary Point(s) of Delivery on the applicable lateral, including in excess of the MDRO and MDDO stated in the executed service agreement.
but capped at the original firm contract holder's total MDTQ), with the exception that a transaction that involves movement of gas in the same direction as that contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm service agreement and a transaction that involves movement of gas that is counter to the direction contemplated by the Primary Point(s) of Receipt and the Primary Point(s) of Delivery on the firm service agreement that are nominated to the same delivery point at the same time shall not be deemed to be an overlap of the MDTQ at that delivery point); provided, however, that Algonquin shall not be obligated to deliver a total quantity in excess of the total MDDO on a primary firm basis.

These rights shall be subject to the following requirements:

(1) quantities tendered must be within the accurate measurement capability and within the applicable operating restrictions imposed by the U.S. Department of Transportation with regard to the facilities installed at the Point(s) of Receipt and Point(s) of Delivery;

(2) the requirement that the receipt and/or delivery of such quantity of gas will not impair the ability of Algonquin to satisfy Algonquin's firm obligations to other firm Customers and/or will not impair the safe operation of Algonquin's facilities; and/or

(3) the requirement that Algonquin shall not receive, or deliver for the account of Customer in the aggregate a quantity of gas in excess of the Customer's rights in any portion of Algonquin's system.

(b) Algonquin shall not be required to schedule any receipt at a Secondary Point of Receipt, nor shall Algonquin be required to schedule any delivery at a Secondary Point of Delivery if such receipt or delivery would impair deliveries to any firm service Customer at a Primary Point of Delivery or receipts at a Primary Point of Receipt.

(c) Customer's receipts at Secondary Point(s) of Receipt may be reduced from time to time by Algonquin in order to permit Algonquin to purchase and receive into its system any quantities of gas that Algonquin desires to purchase and receive for purposes of satisfying Algonquin's Company Use Gas requirements or to satisfy Algonquin's obligations to receive gas pursuant to other firm service agreements under which such Point(s) of Receipt are Primary Points of Receipt. All such reductions in receipts will be allocated in accordance with Section 48.3 below.

(d) In the event that Algonquin posts a notice, pursuant to Section 23.4(b) of the General Terms and Conditions, that hourly delivery rate restrictions are in force, deliveries by Customer to Secondary Points of Delivery must be made at a rate not to exceed 1/24 of Customer's daily scheduled
quantity in any Hour. Customer's deliveries at such Secondary Point(s) of Delivery may be reduced from time to time to satisfy Algonquin's obligations to deliver gas pursuant to other firm service agreements under which such Point(s) of Delivery are Primary Points of Delivery. All such reductions in deliveries will be allocated in accordance with Section 48.3 below.

48.3 Status of Points and Related Scheduling and Curtailment.

(a) Scheduling Procedures for Secondary Points. With respect to scheduling at Secondary Points for timely nominations as defined in Sections 22.3 and 22.4(a) of these General Terms and Conditions, Algonquin will make available scheduled quantities for receipt at Customer's and operator's designated site by 4:30 p.m. CT on the Day prior to gas flow. Within four (4) hours of an intra-day nomination, Algonquin will notify affected Customer(s) and point operator(s) of changes in scheduled quantities. Based upon Customer's nominations, including rankings of individual Points of Receipt or Points of Delivery within a service agreement in the event the entirety of Customer's nomination cannot be scheduled, and subject to the provisions of Section 23 of the General Terms and Conditions, Algonquin shall schedule receipts and deliveries of gas at Secondary Points in the sequence listed below.

(1) among Customers under Algonquin's firm rate schedules according to quantities of gas requested to be scheduled by such Customers from Secondary Points within the Base Flow Path to Primary Points;

(2) among Customers under Algonquin's firm rate schedules according to quantities of gas requested to be scheduled by such Customers from Primary Points to Secondary Points within the Base Flow Path;

(3) among Customers under Algonquin's firm rate schedules according to quantities of gas requested to be scheduled by such Customers from Secondary Points within the Base Flow Path to Secondary Points within the Base Flow Path;

(4) among Customers under Algonquin's firm rate schedules according to quantities of gas requested to be scheduled by such Customers where either the Secondary Receipt Point, the Secondary Delivery Point, or both are outside the Base Flow Path.

Within each sequence listed in this Section 48.3(a), quantities of gas requested flowing through a Posted Point of Restriction within the Base
Flow Path shall have priority over quantities of gas requested flowing through a Posted Point of Restriction outside the Base Flow Path.

(b) **Curtailment at Secondary Points.** Curtailment at Secondary Points shall be governed by the procedures set forth in Sections 24.4 and 24.5 of these General Terms and Conditions.

(c) For the purposes of determining whether points are located within the Base Flow Path, Algonquin shall consider a movement of gas from a Point of Receipt to a Point of Delivery which is counter to the gas flow contemplated by the Primary Point(s) of Receipt and Primary Point(s) of Delivery specified in the service agreement as being outside of the Customer's Base Flow Path. In addition, for any movement of gas that traverses a segment(s) in which the total nominated quantity for that contract exceeds the firm contractual entitlement, that portion of the nominated quantity that exceeds the contractual entitlement shall be deemed to be outside of the Customer's Base Flow Path.
49. **MATERIALLY NON-CONFORMING SERVICE AGREEMENTS**

The following service agreements are being listed in accordance with Section 154.112(b) of the Commission's regulations. This list of agreements will be updated to reflect new agreements containing material, non-conforming provisions, with the exception of an extension in the term of one of the agreements identified below.

<table>
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<tr>
<th>Customer Name</th>
<th>Contract Number</th>
<th>Rate Schedule</th>
<th>Primary Term Begin Date</th>
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Effective on: November 23, 2020
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50. **RESERVATION CHARGE ADJUSTMENT**

50.1 Reservation Charge Adjustment for Non-Force Majeure Events

A. Except as provided in Section 50.3 of these General Terms and Conditions, with respect to each Day during the period from April 16 through November 15 on which there is an outage or other event that is not due to a Force Majeure event that results in Algonquin failing to deliver on such Day the quantity of gas that Customer has nominated in accordance with Section 22 of these General Terms and Conditions and that qualifies for scheduling at the priority described in Section 23.1(a) of these General Terms and Conditions, the Reservation Charge shall be decreased by an amount equal to the product of the Reservation Charge Adjustment applicable to the transportation path nominated by Customer but not delivered by Algonquin (as set forth on the Statement of Rates for the applicable Rate Schedule of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) multiplied by, as applicable:

(i) If Algonquin has not given advance notice of the unavailability of service prior to the Timely Nomination Cycle for the Day, the lesser of: (a) the applicable quantity of gas that Algonquin has failed to deliver which qualified for scheduling at the priority described in Section 23.1(a) of these General Terms and Conditions for Customer’s account on such Day or (b) the applicable firm contractual entitlement under Customer’s service agreement minus the quantity of gas delivered by Algonquin for Customer under such service agreement on such Day; or

(ii) If Algonquin gives seven (7) days or less advance notice of the unavailability of service prior to the Timely Nomination Cycle for the applicable Day, the lesser of:

(a) the average daily quantity that qualified for scheduling at the priority described in Section 23.1(a) of these General Terms and Conditions and that was scheduled and confirmed for Customer’s account at the applicable point(s) of restriction for the seven (7)-Day period immediately preceding the Day on which the outage or other event that results in Algonquin failing to deliver a quantity of gas to the Customer first occurred minus the quantity of gas delivered by Algonquin for Customer’s account on such Day, provided, however, if the applicable firm contractual entitlements under Customer’s service agreement at such points of restriction were zero during
any of the Days in the preceding seven (7)-Day period, such Days with zero firm contractual entitlements will be excluded for the purposes of calculating this average daily quantity, or

(b) the applicable firm contractual entitlement under Customer’s service agreement minus the quantity of gas delivered by Algonquin for Customer under such service agreement on such Day; or

(iii) If Algonquin gives more than seven (7) Days’ advance notice of the unavailability of service, the lesser of:

(a) the average daily quantity that qualified for scheduling at the priority described in Section 23.1(a) of these General Terms and Conditions and that was scheduled and confirmed for Customer’s account at the applicable point(s) of restriction in the previous calendar year for the same calendar days as the outage or other event that results in Algonquin failing to deliver a quantity of gas to the Customer; such average daily quantity to be adjusted up or down pro rata based on any increase or decrease in the Customer’s firm contractual entitlements at such point(s) of restriction during the twelve month-period ending on the last day of such outage or other event, minus the quantity of gas delivered by Pipeline for Customer’s account on such Day, or

(b) the applicable firm contractual entitlement under Customer’s service agreement minus the quantity of gas delivered by Algonquin for Customer under such service agreement on such Day. In the event that the applicable firm contractual entitlements under Customer’s service agreement at such point(s) of restriction were zero during the relevant days of the previous calendar year, this Section 50.1(A)(iii) shall not apply and the calculation described in Section 50.1(A)(ii) above shall be utilized for such service agreement.

B. Except as provided in Section 50.3 of these General Terms and Conditions, with respect to each Day during the period from November 16 through April 15 on which there is an outage or other event that is not due to a Force Majeure event that results in Algonquin failing to deliver on such Day the quantity of gas that Customer has nominated in accordance with Section 22 of these General Terms and Conditions and that qualifies
for scheduling at the priority described in Section 23.1(a) of these General Terms and Conditions, the Reservation Charge shall be decreased by an amount equal to the product of the Reservation Charge Adjustment applicable to the transportation path nominated by Customer but not delivered by Algonquin (as set forth on the Statement of Rates for the applicable Rate Schedule of Algonquin’s FERC Gas Tariff, Volume No. 1, as such Statement of Rates may be revised, superseded or supplemented from time to time) multiplied by the lesser of: (a) the applicable quantity of gas that Algonquin has failed to deliver which qualified for scheduling at the priority described in Section 23.1(a) of these General Terms and Conditions for Customer's account on such Day or (b) the applicable firm contractual entitlement under Customer's service agreement minus the quantity of gas delivered by Algonquin for Customer under such service agreement on such Day.

Such Reservation Charge Adjustment shall be discounted in the case of an executed service agreement containing a discounted Reservation Charge Rate in the same proportion such Reservation Charge Rate is discounted from the maximum Reservation Charge Rate, and, with respect to an executed service agreement containing a negotiated Reservation Charge Rate, the Reservation Charge Adjustment shall be the daily equivalent of the negotiated Reservation Charge Rate.

To calculate the Reservation Charge Adjustment for a Customer who is a Replacement Customer pursuant to Section 14 of these General Terms and Conditions, Pipeline shall multiply the volumes determined in accordance with this Section 50.1 by the lesser of the daily reservation rate applicable to the Replacement Customer or the daily reservation rate applicable to the original Releasing Customer.

Notwithstanding the foregoing, with respect to a particular outage or event, this Section 50.1 does not apply on Days when Section 50.2 of these General Terms and Conditions applies.

50.2 Reservation Charge Adjustment for Force Majeure Events and Certain Orders Issued by the Pipeline and Hazardous Materials Safety Administration (“PHMSA”)

Except as provided in Section 50.3 of these General Terms and Conditions, with respect to each Day on which there is an outage or other event due to a Force Majeure event or due to compliance with a PHMSA order issued pursuant to Section 60139(c) of Chapter 601 of Title 49 of the United States Code prior to April 1, 2018, that results in Algonquin failing to deliver on such Day the quantity of gas that Customer has nominated in accordance with Section 22 of these General Terms and Conditions and that qualifies for scheduling at the priority
described in Section 23.1(a) of these General Terms and Conditions, Algonquin shall not be obligated to reduce Customer’s Reservation Charge for the first ten (10) Days of such outage or other event, and following such ten (10)-Day period, Customer’s Reservation Charge shall be decreased pursuant to the mechanism described in Section 50.1(A)(iii) of these General Terms and Conditions. Algonquin’s notice to Customers for outages related to Section 60139(c) of Chapter 601 of Title 49 of the United States Code shall specify the PHMSA order requiring such outage.

50.3 Reservation Charge Adjustment for Other Events

Notwithstanding any other provision in Algonquin’s FERC Gas Tariff, in no event shall Customer be entitled to a decrease in its Reservation Charge for Algonquin’s failure to deliver any quantity of gas as contemplated under this Section 50:

(i) due to the conduct of Customer, including, without limitation, the refusal to accept delivery of any quantity of gas that Algonquin has made available for delivery or the violation by Customer of an OFO that is in effect during the outage or other event that results in Algonquin failing to deliver any quantity of gas to the Customer; provided, however, if Customer’s refusal to accept delivery is pursuant to Section 4.6 of these General Terms and Conditions, then Customer may be entitled to a decrease in its Reservation Charge notwithstanding this Section 50.3 if Customer refused to accept delivery at the applicable Point(s) of Delivery on a Day that Customer had the right to refuse to accept delivery of gas at such point pursuant to Section 4.6 of these General Terms and Conditions during the outage or other event that results in Algonquin failing to deliver any quantity of gas to the Customer;

(ii) due to the conduct of the upstream operator of the facilities at the applicable Point(s) of Receipt, including, without limitation, the refusal to deliver any quantity of gas into Algonquin that Algonquin was available to receive, as long as such conduct was outside the control of Algonquin;

(iii) due to the conduct of the downstream operator of the facilities at the applicable Point(s) of Delivery, including, without limitation, the refusal to receive any quantity of gas from Algonquin that Algonquin has made available for delivery, as long as such conduct was outside the control of Algonquin;

(iv) due to the installation of new facilities that are designed, in whole or in part, to provide service to Customer;

(v) due to scheduled work on Algonquin’s facilities if Algonquin and
Customer have mutually coordinated the timing of the scheduled work and the work is performed in accordance with that schedule;

(vi) that occurs at a time when Customer was unable to take the scheduled quantities for any reason including, without limitation, a Customer outage, whether planned or unplanned;

(vii) that was allocated or scheduled during any subsequent nomination cycle to or from a secondary location after the Timely Cycle restrictions;

(viii) if Customer subsequently schedules and accepts at an alternative point of delivery the quantity of gas that Algonquin was unable to deliver; or

(ix) due to the violation by Customer of an OFO and such violation causes a Force Majeure event resulting in the outage.
## FORMS OF SERVICE AGREEMENTS

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FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and ________________________________ ("Customer").

[In the event that the Agreement is subject to a Multiple Shipper Option Agreement, the previous paragraph will be replaced with the following language: "This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and __________________, as "Administrator" on behalf of the Principals as set forth in MSOA Contract No. ________, hereinafter individually and collectively referred to as "Customer," which Principals meet the requirements set forth in such Multiple Shipper Option Agreement which is incorporated herein by reference."]

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following language will be included as a Whereas clause in Customer's Agreement: "The service provided to Customer under this Agreement will utilize capacity that was acquired by Customer as Interim Capacity pursuant to the provisions of Section 2.6 of the General Terms and Conditions of the Algonquin Tariff."]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service pursuant to the terms of this Agreement and subject to Algonquin's Rate Schedule AFT-1 and the General Terms and Conditions of Algonquin's Tariff, which are incorporated herein by reference and made a part hereof.

[In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer's capacity related to such project, the following language shall be included in Customer's Service Agreement. "The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated ____________ between Algonquin and Customer related to this Agreement."]

2. The Maximum Daily Transportation Quantity (MDTQ) and Maximum Annual Transportation Quantity (MATQ) for service under this Agreement and any right to increase or decrease the MDTQ or MATQ during the term of this Agreement are listed on Exhibit C attached hereto. The Point(s) of Receipt and Point(s) of Delivery, respectively, are listed on Exhibits A and B attached hereto. Exhibit(s) A, B, and C are incorporated herein by reference and made a part hereof.

3. This Agreement shall be effective on ____________ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission or a commencement date as defined in a precedent agreement between Customer and Algonquin] and shall continue for a term ending on and including ____________ [or, when applicable, "shall continue for a term of ____ years"] ("Primary Term") and shall continue to be effective from ____________ to

Issued on: August 9, 2016
Effective on: September 9, 2016
In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following phrase will be included in Customer's Agreement: "...but in no event beyond ________,"

unless and until terminated by Algonquin or Customer upon prior written notice of at least ________[not less than 1 year for agreements with a primary term of more than 1 year; for service agreements with both a primary term and notice period of exactly one (1) year, the notice must be submitted within ten (10) Business Days of the beginning of the primary term of the service agreement, and at least one (1) year for subsequent notices for such service agreement; and otherwise mutually agreeable]. [in the event that Algonquin and Customer agree to a fixed term, the evergreen and notice of termination language shall be omitted from Customer's Agreement.] This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin's Tariff. Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Algonquin's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

If this Agreement qualifies as a "ROFR Agreement" as defined in the General Terms and Conditions of Algonquin's Tariff, the provision of a termination notice by either Customer or Algonquin, pursuant to the preceding paragraph, a notice of partial reduction in Maximum Daily Transportation Quantity and Maximum Annual Transportation Quantity pursuant to Exhibit C or the expiration of this Agreement of its own terms triggers Customer's right of first refusal under Section 9 of the General Terms and Conditions of Algonquin's Tariff.

This Agreement does not qualify as a ROFR Agreement, as such term is defined in Section 1 of the General Terms and Conditions of the Algonquin Tariff.

4. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin's Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin's Tariff, and Algonquin shall have the right to place such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

5. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Issued on: August 9, 2016
Effective on: September 9, 2016
Algonquin:

Customer:

6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable, except that in the case of conversions from former Rate Schedules F-2 and F-3, the parties’ obligations under Article II of the service agreements pertaining to such rate schedules shall continue in effect:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER: ____________________

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By:___________________________

Name: _________________________

Title:_________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1)

Exhibit A

Point(s) of Receipt

Dated: __________

To the service agreement under Rate Schedule AFT-1 dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ______________________________ (Customer) concerning Point(s) of Receipt.

Exhibit A Effective Date: __________

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[Notice: Additional information may be included where the Base Flow Path cannot be clearly identified from the Maximum Daily Receipt Obligation (MDRO) and the Base Flow Path set forth on Exhibit A of Customer's AFT-1 service agreement and/or the Maximum Daily Delivery Obligation (MDDO) set forth on Exhibit B of Customer's AFT-1 service agreement.]
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ______________________________
Name: ______________________________
Title: ______________________________

Customer: ______________________________

Supersedes Exhibit A Dated ____________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1)

Exhibit B

Point(s) of Delivery

Dated: ____________

To the service agreement under Rate Schedule AFT-1 dated ____________ between Algonquin Gas Transmission, LLC (Algonquin) and ______________________________ (Customer) concerning Point(s) of Delivery.

Exhibit B Effective Date: ____________

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<th>Primary Point of Delivery</th>
<th>Maximum Daily Delivery Obligation</th>
<th>Minimum Delivery Pressure</th>
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Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: ______________________________

Supersedes Exhibit B Dated ______________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1)

Exhibit C

Transportation Quantities

Dated: __________

To the service agreement under Rate Schedule AFT-1 dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ___________________________ (Customer) concerning transportation quantities.

Exhibit C Effective Date: __________

MAXIMUM DAILY TRANSPORTATION QUANTITY (MDTQ): __________ Dth

Dth

Period

[In the event that Algonquin and Customer agree upon MDTQs that are not the same for each period specified above, the highest MDTQ will be identified with a footnote using an asterisk and the following accompanying text: “MDTQ to be utilized in applying the monthly Reservation Charge.”]

MAXIMUM ANNUAL TRANSPORTATION QUANTITY (MATQ): __________ Dth

PARTIAL QUANTITY REDUCTION RIGHTS: Customer elects to partially reduce Customer's Maximum Daily Transportation Quantity by __________ dth and Maximum Annual Transportation Quantity by __________ dth, maintaining the existing Maximum Daily Transportation Quantity to Maximum Annual Transportation Quantity relationship, as of __________, or any subsequent anniversary date, upon providing _______ [Notice period to be not less than the notice period required to terminate the entire contract] year(s) prior written notice to Algonquin.

Algonquin and Customer agree that, if this Agreement qualifies as a "ROFR Agreement", (i) the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is in addition to and not in lieu of any ROFR right to reduce Customer's Maximum Daily Transportation Quantity on a volumetric basis upon termination or expiration of this Agreement and (ii) only the partial reduction pursuant to the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is subject to the ROFR procedures specified in the General Terms and Conditions of Algonquin's Tariff and Customer may retain the balance of the Maximum Daily Transportation Quantity without being subject to the ROFR procedures.
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ________________________________
Title: ________________________________

Customer: ___________________________________________

Supersedes Exhibit C Dated ______________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-E)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and ________________________________ ("Customer").

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following language will be included as a Whereas clause in Customer’s Agreement: “The service provided to Customer under this Agreement will utilize capacity that was acquired by Customer as Interim Capacity pursuant to the provisions of Section 2.6 of the General Terms and Conditions of the Algonquin Tariff.”]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service pursuant to the terms of this Agreement and subject to Algonquin's Rate Schedule AFT-E and the General Terms and Conditions of Algonquin's Tariff, which are incorporated herein by reference and made a part hereof.

[In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer’s capacity related to such project, the following language shall be included in Customer’s Service Agreement. “The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated ____________ between Algonquin and Customer related to this Agreement.”]

2. The Maximum Daily Transportation Quantity (MDTQ) and Maximum Annual Transportation Quantity (MATQ) for service under this Agreement and any right to increase or decrease the MDTQ or MATQ during the term of this Agreement are listed on Exhibit C attached hereto. The Point(s) of Receipt and Point(s) of Delivery, respectively, are listed on Exhibits A and B attached hereto. Exhibit(s) A, B, and C are incorporated herein by reference and made a part hereof.

3. This Agreement shall be effective on ___________ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission or a commencement date as defined in a precedent agreement between Customer and Algonquin] and shall continue for a term ending on and including ___________ [“Primary Term”] and shall continue to be effective from ___________ to ___________ thereafter [In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following phrase will be included in Customer’s Agreement: “,but in no event beyond __________, ”] unless and until terminated by Algonquin or Customer upon prior written notice of at least ________[not less than 1 year for agreements with a primary term of more than 1 year; for service agreements with both a primary term and notice period of exactly one (1) year, the notice must be submitted within ten (10) Business Days of the beginning of the primary term of the...}
service agreement, and at least one (1) year for subsequent notices for such service agreement; and otherwise mutually agreeable]. [In the event that Algonquin and Customer agree to a fixed term, the evergreen and notice of termination language shall be omitted from Customer's Agreement.] This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin's Tariff. Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Algonquin's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

If this Agreement qualifies as a "ROFR Agreement" as defined in the General Terms and Conditions of Algonquin's Tariff, the provision of a termination notice by either Customer or Algonquin, pursuant to the preceding paragraph, a notice of partial reduction in Maximum Daily Transportation Quantity and Maximum Annual Transportation Quantity pursuant to Exhibit C or the expiration of this Agreement of its own terms triggers Customer's right of first refusal under Section 9 of the General Terms and Conditions of Algonquin's Tariff.

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the previous paragraph will be replaced with the following language: “This Agreement does not qualify as a ROFR Agreement, as such term is defined in Section 1 of the General Terms and Conditions of the Algonquin Tariff.”]

4. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin's Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin's Tariff, and Algonquin shall have the right to place such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

5. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:
6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER: _____________________  ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By:____________________________  By:____________________________

Name: _________________________  Name: _________________________

Title:___________________________   Title:___________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-E)

Exhibit A
Point(s) of Receipt
Dated: __________

To the service agreement under Rate Schedule AFT-E dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ______________________ (Customer) concerning Point(s) of Receipt.

Exhibit A Effective Date: __________

<table>
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[Notice: Additional information may be included where the Base Flow Path cannot be clearly identified from the Maximum Daily Receipt Obligation (MDRO) and the Base Flow Path set forth on Exhibit A of Customer's AFT-E service agreement and/or the Maximum Daily Delivery Obligation (MDDO) set forth on Exhibit B of Customer's AFT-E service agreement.]
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By: ________________________________
Name: _______________________________
Title: _______________________________

Customer: ________________________________

Supersedes Exhibit A Dated ____________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-E)

Exhibit B
Point(s) of Delivery

Dated: __________

To the service agreement under Rate Schedule AFT-E dated ___________ between Algonquin Gas Transmission, LLC (Algonquin) and _______________________ (Customer) concerning Point(s) of Delivery.

Exhibit B Effective Date: __________

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Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: ______________________________

Supersedes Exhibit B Dated ____________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-E)

Exhibit C

Transportation Quantities

Dated: ____________

To the service agreement under Rate Schedule AFT-E dated ____________ between Algonquin Gas Transmission, LLC (Algonquin) and ______________________________ (Customer) concerning transportation quantities.

Exhibit C Effective Date: ____________

MAXIMUM DAILY TRANSPORTATION QUANTITY (MDTQ): ____________ Dth

Dth

Period

[In the event that Algonquin and Customer agree upon MDTQs that are not the same for each period specified above, the highest MDTQ will be identified with a footnote using an asterisk and the following accompanying text: "MDTQ to be utilized in applying the monthly Reservation Charge."]

MAXIMUM ANNUAL TRANSPORTATION QUANTITY (MATQ): ____________ Dth

PARTIAL QUANTITY REDUCTION RIGHTS: Customer elects to partially reduce Customer's Maximum Daily Transportation Quantity by ____________ dth and Maximum Annual Transportation Quantity by ____________ dth, maintaining the existing Maximum Daily Transportation Quantity to Maximum Annual Transportation Quantity relationship, as of ____________, or any subsequent anniversary date, upon providing _______ [Notice period to be not less than the notice period required to terminate the entire contract] year(s) prior written notice to Algonquin.

Algonquin and Customer agree that, if this Agreement qualifies as a "ROFR Agreement", (i) the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is in addition to and not in lieu of any ROFR right to reduce Customer's Maximum Daily Transportation Quantity on a volumetric basis upon termination or expiration of this Agreement and (ii) only the partial reduction pursuant to the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is subject to the ROFR procedures specified in the General Terms and Conditions of Algonquin's Tariff and Customer may retain the balance of the Maximum Daily Transportation Quantity without being subject to the ROFR procedures.
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ________________________________
Title: ________________________________

Customer: ________________________________

Supersedes Exhibit C Dated ________________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1S)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, (“Algonquin”) and ______________________________ (“Customer”).

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following language will be included as a Whereas clause in Customer’s Agreement: “The service provided to Customer under this Agreement will utilize capacity that was acquired by Customer as Interim Capacity pursuant to the provisions of Section 2.6 of the General Terms and Conditions of the Algonquin Tariff.”]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service pursuant to the terms of this Agreement and subject to Algonquin’s Rate Schedule AFT-1S and the General Terms and Conditions of Algonquin’s Tariff, which are incorporated herein by reference and made a part hereof.

   [In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer’s capacity related to such project, the following language shall be included in Customer’s Service Agreement. “The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated __________ between Algonquin and Customer related to this Agreement.”]

2. The Maximum Daily Transportation Quantity (MDTQ) and Maximum Annual Transportation Quantity (MATQ) for service under this Agreement and any right to increase or decrease the MDTQ or MATQ during the term of this Agreement are listed on Exhibit C attached hereto. The Point(s) of Receipt and Point(s) of Delivery, respectively, are listed on Exhibits A and B attached hereto. Exhibit(s) A, B, and C are incorporated herein by reference and made a part hereof.

3. This Agreement shall be effective on __________ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission or a commencement date as defined in a precedent agreement between Customer and Algonquin] and shall continue for a term ending on and including __________ [or, when applicable, “shall continue for a term of ____ years”] (“Primary Term”) and shall continue to be effective from __________ to __________ thereafter [In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following phrase will be included in Customer’s Agreement: “,but in no event beyond __________,”] unless and until terminated by Algonquin or Customer upon prior written notice of at least __________ [not less than 1 year for agreements with a primary term of more than 1 year; for service agreements with both a primary term and notice period of exactly one (1) year, the notice must be submitted within ten (10) Business Days of the beginning of the primary term of the...
service agreement, and at least one (1) year for subsequent notices for such service agreement; and otherwise mutually agreeable]. [In the event that Algonquin and Customer agree to a fixed term, the evergreen and notice language shall be omitted from Customer’s Agreement.] This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin’s Tariff. Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Algonquin’s Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

If this Agreement qualifies as a “ROFR Agreement” as defined in the General Terms and Conditions of Algonquin’s Tariff, the provision of a termination notice by either Customer or Algonquin, pursuant to the preceding paragraph, a notice of partial reduction in Maximum Daily Transportation Quantity and Maximum Annual Transportation Quantity pursuant to Exhibit C or the expiration of this Agreement of its own terms triggers Customer’s right of first refusal under Section 9 of the General Terms and Conditions of Algonquin’s Tariff.

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the previous paragraph will be replaced with the following language: “This Agreement does not qualify as a ROFR Agreement, as such term is defined in Section 1 of the General Terms and Conditions of the Algonquin Tariff.”]

4. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin’s Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin’s Tariff, and Algonquin shall have the right to place such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

5. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:
6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable, except that in the case of conversions from former Rate Schedules F-2 and F-3, the parties’ obligations under Article II of the service agreements pertaining to such rate schedules shall continue in effect:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER: _____________________

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By:____________________________  By:____________________________

Name: ___________________________  Name: ___________________________

Title:____________________________  Title:____________________________
FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE AFT-1S)

Exhibit A

Point(s) of Receipt

Dated: __________

To the service agreement under Rate Schedule AFT-1S dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ___________________________ (Customer) concerning Point(s) of Receipt.

Exhibit A Effective Date: __________

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[Notice: Additional information may be included where the Base Flow Path cannot be clearly identified from the Maximum Daily Receipt Obligation (MDRO) and the Base Flow Path set forth on Exhibit A of Customer's AFT-1S service agreement and/or the Maximum Daily Delivery Obligation (MDDO) set forth on Exhibit B of Customer's AFT-1S service agreement.]
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By: ________________________________
Name: ________________________________
Title: ________________________________

Customer: ________________________________

Supersedes Exhibit A Dated ________________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1S)

Exhibit B

Point(s) of Delivery

Dated: __________

To the service agreement under Rate Schedule AFT-1S dated ______________ between Algonquin Gas Transmission, LLC (Algonquin) and ____________________________ (Customer) concerning Point(s) of Delivery.

Exhibit B Effective Date: __________

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Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: ______________________________

Supersedes Exhibit B Dated __________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-1S)

Exhibit C

Transportation Quantities

Dated: ______________

To the service agreement under Rate Schedule AFT-1S dated ___________ between Algonquin Gas Transmission, LLC (Algonquin) and ________________________________ (Customer) concerning transportation quantities.

Exhibit C Effective Date: __________

MAXIMUM DAILY TRANSPORTATION QUANTITY (MDTQ): __________ Dth

Dth Period

[In the event that Algonquin and Customer agree upon MDTQs that are not the same for each period specified above, the highest MDTQ will be identified with a footnote using an asterisk and the following accompanying text: “MDTQ to be utilized in applying the monthly Reservation Charge.”]

MAXIMUM ANNUAL TRANSPORTATION QUANTITY (MATQ): __________ Dth

PARTIAL QUANTITY REDUCTION RIGHTS: Customer elects to partially reduce Customer's Maximum Daily Transportation Quantity by ____________ dth and Maximum Annual Transportation Quantity by ____________ dth, maintaining the existing Maximum Daily Transportation Quantity to Maximum Annual Transportation Quantity relationship, as of ____________, or any subsequent anniversary date, upon providing _______ [Notice period to be not less than the notice period required to terminate the entire contract] year(s) prior written notice to Algonquin.

Algonquin and Customer agree that, if this Agreement qualifies as a "ROFR Agreement", (i) the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is in addition to and not in lieu of any ROFR right to reduce Customer's Maximum Daily Transportation Quantity on a volumetric basis upon termination or expiration of this Agreement and (ii) only the partial reduction pursuant to the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is subject to the ROFR procedures specified in the General Terms and Conditions of Algonquin's Tariff and Customer may retain the balance of the Maximum Daily Transportation Quantity without being subject to the ROFR procedures.
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: ______________________________

Supersedes Exhibit C Dated ____________________________
FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE AFT-ES)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and ________________________________ ("Customer").

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

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[In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer’s capacity related to such project, the following language shall be included in Customer’s Service Agreement. “The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated ______________ between Algonquin and Customer related to this Agreement.”]

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Algonquin:

Customer:
6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER: ____________________

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: __________________________

Name: _________________________

Title: __________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-ES)

Exhibit A

Point(s) of Receipt

Dated: ____________

To the service agreement under Rate Schedule AFT-ES dated ____________ between Algonquin Gas Transmission, LLC (Algonquin) and ____________________________ (Customer) concerning Point(s) of Receipt.

Exhibit A Effective Date: ____________

Primary
Point of
Receipt

Maximum Daily
Receipt Obligation

Maximum
Receipt Pressure

[Base Flow Path] [Base Flow Path Quantity]

[Notice: Additional information may be included where the Base Flow Path cannot be clearly identified from the Maximum Daily Receipt Obligation (MDRO) and the Base Flow Path set forth on Exhibit A of Customer's AFT-ES service agreement and/or the Maximum Daily Delivery Obligation (MDDO) set forth on Exhibit B of Customer's AFT-ES service agreement.]
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: ________________________________

Supersedes Exhibit A Dated ____________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-ES)

Exhibit B

Point(s) of Delivery

Dated: ____________

To the service agreement under Rate Schedule AFT-ES dated ____________ between Algonquin Gas Transmission, LLC (Algonquin) and ______________________ (Customer) concerning Point(s) of Delivery.

Exhibit B Effective Date: ____________

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<th>Primary Point of Delivery</th>
<th>Maximum Daily Delivery Obligation</th>
<th>Minimum Delivery Pressure</th>
</tr>
</thead>
</table>

Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: ______________________________

Supersedes Exhibit B Dated ______________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE AFT-ES) 

Exhibit C  

Transportation Quantities  

Dated: __________ 

To the service agreement under Rate Schedule AFT-ES dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ________________________________ (Customer) concerning transportation quantities. 

Exhibit C Effective Date: __________ 

MAXIMUM DAILY TRANSPORTATION QUANTITY (MDTQ): __________ Dth  
Dth  
Period 

[In the event that Algonquin and Customer agree upon MDTQs that are not the same for each period specified above, the highest MDTQ will be identified with a footnote using an asterisk and the following accompanying text: “MDTQ to be utilized in applying the monthly Reservation Charge.”] 

MAXIMUM ANNUAL TRANSPORTATION QUANTITY (MATQ): __________ Dth  

PARTIAL QUANTITY REDUCTION RIGHTS: Customer elects to partially reduce Customer's Maximum Daily Transportation Quantity by __________ dth and Maximum Annual Transportation Quantity by __________ dth, maintaining the existing Maximum Daily Transportation Quantity to Maximum Annual Transportation Quantity relationship, as of __________, or any subsequent anniversary date, upon providing _______ [Notice period to be not less than the notice period required to terminate the entire contract] year(s) prior written notice to Algonquin. 

Algonquin and Customer agree that, if this Agreement qualifies as a "ROFR Agreement", (i) the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is in addition to and not in lieu of any ROFR right to reduce Customer's Maximum Daily Transportation Quantity on a volumetric basis upon termination or expiration of this Agreement and (ii) only the partial reduction pursuant to the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is subject to the ROFR procedures specified in the General Terms and Conditions of Algonquin's Tariff and Customer may retain the balance of the Maximum Daily Transportation Quantity without being subject to the ROFR procedures.
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By: ________________________________
Name: ________________________________
Title: ________________________________

Customer: ________________________________

Supersedes Exhibit C Dated ________________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE T-1)

This Agreement ("Agreement") is made and entered into this ____ day of ___________, 19__, by and between Algonquin Gas Transmission, LLC, a Delaware limited liability company (herein called "Algonquin"), and ______________________ (herein called "Customer" whether one or more persons).

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I
SCOPE OF AGREEMENT

1.1 Subject to the terms, conditions and limitations hereof and of Algonquin's Rate Schedule T-1, Algonquin agrees to receive from or for the account of Customer for transportation on a firm basis quantities of natural gas tendered by Customer on any Day at the Point(s) of Receipt; provided, however, Customer shall not tender without the prior consent of Algonquin, at any Point of Receipt on any Day a quantity of natural gas in excess of the applicable Maximum Daily Receipt Obligation for such Point of Receipt plus the applicable Fuel Reimbursement Quantity; and provided further that Customer shall not tender at all Point(s) of Receipt on any Day or in any year a cumulative quantity of natural gas, without the prior consent of Algonquin, in excess of the following quantities of natural gas plus the applicable Fuel Reimbursement Quantities:

<table>
<thead>
<tr>
<th>Maximum Daily Transportation Quantity</th>
<th>_______ Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maximum Annual Transportation Quantity</td>
<td>_______ Dth</td>
</tr>
</tbody>
</table>

1.2 Algonquin agrees to transport and deliver to or for the account of Customer at the Point(s) of Delivery and Customer agrees to accept or cause acceptance of delivery of the quantity received by Algonquin on any Day, less the Fuel Reimbursement Quantities; provided, however, Algonquin shall not be obligated to deliver at any Point of Delivery on any Day a quantity of natural gas in excess of the applicable Maximum Daily Delivery Obligation.

ARTICLE II
TERM OF AGREEMENT

2.1 This Agreement shall become effective as of the date set forth hereinafore and shall continue in effect for a term of ____ years ("Primary Term") and shall remain in force from year to year thereafter unless terminated by either party by written notice one year or more prior to the end of the Primary Term or any successive term thereafter. Algonquin's right to cancel this Agreement upon the expiration of the Primary Term hereof or any succeeding term shall be subject to Customer's rights pursuant to Section 8 of the General Terms and Conditions.

2.2 This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior
written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin's tariff.

ARTICLE III
RATE SCHEDULE

3.1 Customer shall pay Algonquin for all services rendered hereunder and for the availability of such service under Algonquin's Rate Schedule T-1 as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed.

3.2 This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Algonquin's applicable rate schedules and of Algonquin's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.

3.3 Customer agrees that Algonquin shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Algonquin's Rate Schedule T-1, (b) Algonquin's Rate Schedule T-1, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions applicable to Rate Schedule T-1. Algonquin agrees that Customer may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Algonquin's existing FERC Gas Tariff as may be found necessary to assure that the provisions in (a), (b), or (c) above are just and reasonable.

ARTICLE IV
POINT(S) OF RECEIPT

Natural gas to be received by Algonquin for the account of Customer hereunder shall be received at the outlet side of the measuring station(s) at or near the Point(s) of Receipt set forth in Exhibit A of the service agreement, with the Maximum Daily Receipt Obligation and the receipt pressure obligation indicated for each such Point of Receipt.

ARTICLE V
POINT(S) OF DELIVERY

Natural gas to be delivered by Algonquin for the account of Customer hereunder shall be delivered on the outlet side of the measuring station(s) at or near the Point(s) of Delivery set forth in Exhibit B of the service agreement, with the Maximum Daily Delivery Obligation and the delivery pressure obligation indicated for each such Point of Delivery.
ARTICLE VI
ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Algonquin's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or first class mail to the post office address of the parties hereto, as the case may be, as follows:

(a) Algonquin:

(b) Customer:

or such other address as either party shall designate by formal written notice.

ARTICLE VII
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VIII
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto.

Issued on:  August 9, 2016
Effective on:  September 9, 2016
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: _______________________________________
Name: _______________________________________
Title: _______________________________________

[CUSTOMER]

By: _______________________________________
Name: _______________________________________
Title: _______________________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE T-1)

Exhibit A

Point(s) of Receipt

Dated: ____________

To the service agreement under Rate Schedule T-1 dated ___________ between Algonquin Gas Transmission, LLC (Algonquin) and ________________________________ (Customer) concerning Point(s) of Receipt.

Exhibit A Effective Date: __________

<table>
<thead>
<tr>
<th>Point of Receipt</th>
<th>Maximum Daily Receipt Obligation</th>
<th>Maximum Receipt Pressure</th>
</tr>
</thead>
<tbody>
<tr>
<td>[Base Flow Path]</td>
<td>[Base Flow Path Quantity]</td>
<td></td>
</tr>
</tbody>
</table>

[Notice: Additional information may be included where the Base Flow Path cannot be clearly identified from the Maximum Daily Receipt Obligation (MDRO) and the Base Flow Path set forth on Exhibit A of Customer’s T-1 service agreement and/or the Maximum Daily Delivery Obligation (MDDO) set forth on Exhibit B of Customer’s T-1 service agreement.]
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________
Name: ________________________________
Title: ________________________________

Customer: ________________________________

Supersedes Exhibit A Dated ____________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE T-1)

Exhibit B

Point(s) of Delivery

Dated: __________

To the service agreement under Rate Schedule T-1 dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ________________________________ (Customer) concerning Point(s) of Delivery.

Exhibit B Effective Date: __________

<table>
<thead>
<tr>
<th>Point of Delivery</th>
<th>Maximum Daily Delivery Obligation</th>
<th>Minimum Delivery Pressure</th>
</tr>
</thead>
</table>

Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ___________________________________

Name: ________________________________

Title: ________________________________

Customer: ______________________________

Supersedes Exhibit B Dated ________________
[Reserved for Future Use]
[Reserved for Future Use]
[Reserved for Future Use]
FORM OF SERVICE AGREEMENT 
(APPLICABLE TO RATE SCHEDULE AFT-CL)

Date: __________________________, Contract No. _____________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, (“Algonquin”) and __________________________ (“Customer”).

[In the event that the Agreement is subject to a Multiple Shipper Option Agreement, the previous paragraph will be replaced with the following language: "This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, (“Algonquin”) and _____________, as "Administrator" on behalf of the Principals as set forth in MSOA Contract No. ________, hereinafter individually and collectively referred to as "Customer," which Principals meet the requirements set forth in such Multiple Shipper Option Agreement which is incorporated herein by reference."]

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following language will be included as a Whereas clause in Customer's Agreement: "The service provided to Customer under this Agreement will utilize capacity that was acquired by Customer as Interim Capacity pursuant to the provisions of Section 2.6 of the General Terms and Conditions of the Algonquin Tariff."]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service on Algonquin's [Canal Lateral, Middletown Lateral, Cleary Lateral, Lake Road Lateral, Bellingham Lateral, Phelps Dodge Lateral, Manchester Street Lateral, Cape Cod Lateral, Northeast Gateway Lateral, J-2 Facility, Kleen Energy Lateral, Salem Lateral, or West Roxbury Lateral, as applicable,] pursuant to the terms of this Agreement and subject to Algonquin's Rate Schedule AFT-CL and the General Terms and Conditions of Algonquin's Tariff, which are incorporated herein by reference and made a part hereof.

[In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer’s capacity related to such project, the following language shall be included in Customer's Service Agreement. “The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated ____________ between Algonquin and Customer related to this Agreement.”]

2. The Maximum Daily Transportation Quantity (MDTQ) and Maximum Annual Transportation Quantity (MATQ) for service under this Agreement and any right to increase or decrease the MDTQ or MATQ during the term of this Agreement are listed on Exhibit C attached hereto. The Point(s) of Receipt and Point(s) of Delivery, respectively, are listed on Exhibits A and B attached hereto. Exhibit(s) A, B, and C are incorporated herein by reference and made a part hereof.

3. This Agreement shall be effective on ____________ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission or a commencement date as

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Issued on: September 1, 2020
Effective on: October 1, 2020
defined in a precedent agreement between Customer and Algonquin] and shall continue for a term ending on and including __________ [or, when applicable, “shall continue for a term of ___ years”] (“Primary Term”) and shall continue to be effective from __________ to __________ thereafter [In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the following phrase will be included in Customer’s Agreement: “but in no event beyond __________.”] unless and until terminated by Algonquin or Customer upon prior written notice of at least _______ [not less than 1 year for agreements with a primary term of more than 1 year; for service agreements with both a primary term and notice period of exactly one (1) year, the notice must be submitted within ten (10) Business Days of the beginning of the primary term of the service agreement, and at least one (1) year for subsequent notices for such service agreement; and otherwise mutually agreeable]. [In the event that Algonquin and Customer agree to a fixed term, the evergreen and notice of termination language shall be omitted from Customer’s Agreement.] This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin’s Tariff. Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Algonquin’s Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

If this Agreement qualifies as a "ROFR Agreement" as defined in the General Terms and Conditions of Algonquin’s Tariff, the provision of a termination notice by either Customer or Algonquin, pursuant to the preceding paragraph, a notice of partial reduction in Maximum Daily Transportation Quantity and Maximum Annual Transportation Quantity pursuant to Exhibit C or the expiration of this Agreement of its own terms triggers Customer’s right of first refusal under Section 9 of the General Terms and Conditions of Algonquin’s Tariff.

[In the event that the capacity was awarded as Interim Capacity pursuant to Section 2.6 of the General Terms and Conditions of the Algonquin Tariff, the previous paragraph will be replaced with the following language: “This Agreement does not qualify as a ROFR Agreement, as such term is defined in Section 1 of the General Terms and Conditions of the Algonquin Tariff.”]

4. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin’s Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin’s Tariff, and Algonquin shall have the right to place such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

5. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or
Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:

6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER: ____________________  ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ___________________________  By: ___________________________

Name: _________________________  Name: _________________________

Title: __________________________  Title: __________________________
FORM OF SERVICE AGREEMENT  
(APPLICABLE TO RATE SCHEDULE AFT-CL)

Exhibit A

Point(s) of Receipt

Dated: __________

To the service agreement under Rate Schedule AFT-CL dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ______________________ (Customer) concerning Point(s) of Receipt.

Exhibit A Effective Date: __________

<table>
<thead>
<tr>
<th>Primary Point(s) of Receipt</th>
<th>Maximum Daily Receipt Obligation</th>
<th>Maximum Receipt Pressure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Algonquin's line pressure as may exist from time to time.</td>
</tr>
</tbody>
</table>

[Base Flow Path] [Base Flow Path Quantity]

[Notice: Additional information may be included where the Base Flow Path cannot be clearly identified from the Maximum Daily Receipt Obligation (MDRO) and the Base Flow Path set forth on Exhibit A of Customer's AFT-CL service agreement and/or the Maximum Daily Delivery Obligation (MDDO) set forth on Exhibit B of Customer's AFT-CL service agreement.]
Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: __________________________

Supersedes Exhibit A Dated: ______________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-CL)

Exhibit B

Point(s) of Delivery

Dated: __________

To the service agreement under Rate Schedule AFT-CL dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and ____________________________ (Customer) concerning Point(s) of Delivery.

Exhibit B Effective Date: __________

<table>
<thead>
<tr>
<th>Primary Point of Delivery</th>
<th>Maximum Daily Delivery Obligation</th>
<th>Minimum Delivery Pressure</th>
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</thead>
</table>

Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC
in its capacity as operator

By: ________________________________
Name: ______________________________
Title: ______________________________

Customer: __________________________

Supersedes Exhibit B Dated: __________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AFT-CL)

Exhibit C

Transportation Quantities

Dated: __________

To the service agreement under Rate Schedule AFT-CL dated __________ between Algonquin Gas Transmission, LLC (Algonquin) and _______________________________ (Customer) concerning transportation quantities.

Exhibit C Effective Date: __________

MAXIMUM DAILY TRANSPORTATION QUANTITY (MDTQ): __________ Dth

MAXIMUM ANNUAL TRANSPORTATION QUANTITY (MATQ): __________ Dth

PARTIAL QUANTITY REDUCTION RIGHTS: Customer elects to partially reduce Customer's Maximum Daily Transportation Quantity by __________ dth and Maximum Annual Transportation Quantity by __________ dth, maintaining the existing Maximum Daily Transportation Quantity to Maximum Annual Transportation Quantity relationship, as of __________, or any subsequent anniversary date, upon providing _______ [Notice period to be not less than the notice period required to terminate the entire contract] year(s) prior written notice to Algonquin.

Algonquin and Customer agree that, if this Agreement qualifies as a "ROFR Agreement", (i) the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is in addition to and not in lieu of any ROFR right to reduce Customer's Maximum Daily Transportation Quantity on a volumetric basis upon termination or expiration of this Agreement and (ii) only the partial reduction pursuant to the foregoing contractual right to partially reduce Customer's Maximum Daily Transportation Quantity is subject to the ROFR procedures specified in the General Terms and Conditions of Algonquin's Tariff and Customer may retain the balance of the Maximum Daily Transportation Quantity without being subject to the ROFR procedures.

Signed for Identification

Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC,
    in its capacity as operator

By: ________________________________
Name: ________________________________
Title: ________________________________

Customer: ________________________________

Supersedes Exhibit C Dated ____________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AIT-1)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and _______________________________ ("Customer").

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service pursuant to the terms of this Agreement and subject to Algonquin's Rate Schedule AIT-1 and the General Terms and Conditions of Algonquin's Tariff, which are incorporated herein by reference and made a part hereof.

[In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer's capacity related to such project, the following language shall be included in Customer's Service Agreement. “The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated __________ between Algonquin and Customer related to this Agreement.”]

2. Maximum Daily Transportation Quantity _____________ Dth
   Maximum Annual Transportation Quantity ____________ Dth

3. This Agreement shall be effective on ___________ and shall continue for a term ending on and including ___________ [or, when applicable, “shall continue for a term of _____ years”] [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission or a commencement date as defined in a precedent agreement between Customer and Algonquin] ("Primary Term") and shall continue to be effective from ____________ to ____________ thereafter unless and until terminated by Algonquin or Customer upon prior written notice of at least _______. This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin's Tariff. Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Algonquin's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

4. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer
and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin’s Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin’s Tariff, and Algonquin shall have the right to place such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

5. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:

6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER:______________________  ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By:___________________________________  By:___________________________________

Name:______________________________  Name:______________________________

Title:______________________________  Title:______________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE AIT-2)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, (“Algonquin”) and _______________________________ (“Customer”).

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service pursuant to the terms of this Agreement and subject to Algonquin’s Rate Schedule AIT-2 and the General Terms and Conditions of Algonquin’s Tariff, which are incorporated herein by reference and made a part hereof.

[In the event that a precedent agreement for a new or an expansion project contains credit provisions applicable to Customer’s capacity related to such project, the following language shall be included in Customer’s Service Agreement. “The credit requirements applicable to this Agreement are set forth in that certain Precedent Agreement dated ______________ between Algonquin and Customer related to this Agreement.”]

2. Maximum Daily Transportation Quantity _____________ Dth
   Maximum Annual Transportation Quantity _____________ Dth

3. Service hereunder will be provided solely by the utilization of capacity on the lateral facility indicated below as such lateral facility is defined in Rate Schedule AFT-CL:

   (Check Only One)
   - Manchester Street Lateral
   - Canal Lateral
   - Cape Cod Lateral
   - Northeast Gateway Lateral
   - J-2 Facility
   - Kleen Energy Lateral
   - Salem Lateral
   - West Roxbury Lateral

4. This Agreement shall be effective on ___________ [this blank may include a date certain, a date either earlier or later than a specified date certain based on the completion of construction of facilities necessary to provide service under the Agreement, a date set forth in or established by a relevant order from the Federal Energy Regulatory Commission or a commencement date as defined in a precedent agreement between Customer and Algonquin] and shall continue for a term ending on and including ___________ [or, when applicable, “shall continue for a term of ____ years”] (“Primary Term”) and shall continue to be effective from ______________ to ______________ thereafter unless and until terminated by Algonquin or Customer upon prior written notice of at least _______. This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and
such failure continues for thirty days after payment is due; provided Algonquin gives ten days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin's Tariff. Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by the General Terms and Conditions of Algonquin's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

5. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin's Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin's Tariff, and Algonquin shall have the right to place such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

6. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:

7. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

8. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER:______________________

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By:______________________________

Name: ___________________________

Title:_____________________________
FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE PAL)

Date: ________________________, Contract No. ______________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and _____________________________ ("Customer").

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities necessary to provide service under the Agreement, and will not include binding consideration.]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for service pursuant to the terms of this Agreement and subject to Algonquin's Rate Schedule PAL and the General Terms and Conditions of Algonquin's Tariff, which are incorporated herein by reference and made a part hereof.

2. The Maximum Park Quantity or Maximum Loan Quantity, as appropriate, and the PAL Point(s) of Transaction are set forth in the Exhibit(s) A to this agreement. Customer shall initiate a request for each park or loan service transaction by executing and delivering to Algonquin one or more Exhibit(s) A. Upon execution by Algonquin, Customer's Exhibit(s) A shall be incorporated in and made a part hereof.

3. This Agreement shall be effective on ___________ and shall continue for a term ending on and including ___________ ("Primary Term") and shall continue to be effective from ___________ to ___________ thereafter unless and until terminated by Algonquin or Customer upon prior written notice of at least _______. This Agreement may be terminated at any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for service hereunder and such failure continues for thirty days after payment is due; provided Algonquin gives thirty days prior written notice to Customer of such termination and provided further such termination shall not be effective if, prior to the date of termination, Customer either pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; provided that Algonquin shall not be entitled to terminate service pending the resolution of a disputed bill if Customer complies with the billing dispute procedure currently on file in Algonquin's Tariff. Any portions of this Agreement necessary to correct or resolve a Park Balance or a Loan Balance under this Agreement as required by Rate Schedule PAL and the General Terms and Conditions of Algonquin's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

4. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement except during the specified term of a discounted rate or a Negotiated Rate to which Customer and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the consent of Customer, as part of Algonquin's Tariff. It is further agreed that Algonquin may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change any rates, charges or other provisions in the applicable Rate Schedule and General Terms and Conditions of Algonquin's Tariff, and Algonquin shall have the right to place
such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be construed to deny Customer any rights it may have under the Natural Gas Act, including the right to participate fully in rate or other proceedings by intervention or otherwise to contest increased rates in whole or in part.

5. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly delivered when mailed to the applicable address below or transmitted via facsimile. Customer or Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:

6. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

7. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER:______________________

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC,
in its capacity as operator

By:______________________________

Name: ___________________________

Title: ___________________________
FORM OF SERVICE AGREEMENT
FOR RATE SCHEDULE PAL
(continued)

ALGONQUIN GAS TRANSMISSION, LLC
PARK AND LOAN (PAL) AGREEMENT
DATED __________________

EXHIBIT A-__ DATED __________________

Exhibit A-__ Effective Date: __________

ALGONQUIN: Algonquin Gas Transmission, LLC
5400 Westheimer Court
Houston, Texas  77056-5310
Attention: Spectra Energy Transmission Marketing Department

CUSTOMER: ____________________________________________
________________________________________
__________________

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ALGONQUIN GAS TRANSMISSION, LLC
By: Spectra Algonquin Management, LLC,
in its capacity as operator

By____________________________________

[CUSTOMER]

By____________________________________

Issued on: August 9, 2016
Effective on: September 9, 2016
FORM OF SERVICE AGREEMENT  
(APPLICABLE TO TITLE TRANSFER TRACKING SERVICE  
UNDER RATE SCHEDULE TTT)

Date: __________________________, Contract No. __________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Algonquin Gas Transmission, LLC, ("Algonquin") and  
_____________________________________ ("Customer").

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context 
of the Agreement, to describe or identify a precedent agreement, and any other agreements if applicable, 
between Algonquin and Customer related to the Agreement, and/or to describe or define the facilities 
necessary to provide service under the Agreement, and will not include binding consideration.]

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the 
parties do agree as follows:

1. Algonquin shall deliver and Customer shall take and pay for Title Transfer Tracking service 
pursuant to the terms of this Agreement and subject to Algonquin's Rate Schedule TTT and the 
General Terms and Conditions of Algonquin's Tariff, which are incorporated herein by reference 
and made a part hereof.

2. This Agreement shall be effective on ___________ and shall continue for a term ending on and 
including ___________ ("Primary Term") and shall continue to be effective from ___________ to ___________ thereafter unless and until terminated by Algonquin or 
Customer upon prior written notice of at least _______. This Agreement may be terminated at 
any time by Algonquin in the event Customer fails to pay part or all of the amount of any bill for 
service hereunder and such failure continues for thirty days after payment is due; provided 
Algonquin gives ten days prior written notice to Customer of such termination and provided 
further such termination shall not be effective if, prior to the date of termination, Customer either 
pays such outstanding bill or furnishes a good and sufficient surety bond or other form of security 
reasonably acceptable to Algonquin guaranteeing payment to Algonquin of such outstanding bill; 
provided that Algonquin shall not be entitled to terminate service pending the resolution of a 
disputed bill if Customer complies with the billing dispute procedure currently on file in 
Algonquin's Tariff.

3. Maximum rates, charges, and fees shall be applicable to service pursuant to this Agreement 
except during the specified term of a discounted rate or a Negotiated Rate to which Customer 
and Algonquin have agreed. Provisions governing such discounted rate shall be as specified in 
the Discount Confirmation to this Agreement. Provisions governing such Negotiated Rate and 
term shall be as specified on an appropriate Statement of Negotiated Rates filed, with the 
consent of Customer, as part of Algonquin's Tariff. It is further agreed that Algonquin may seek 
authorization from the Commission and/or other appropriate body at any time and from time to 
time to change any rates, charges or other provisions in the applicable Rate Schedule and 
General Terms and Conditions of Algonquin's Tariff, and Algonquin shall have the right to place 
such changes in effect in accordance with the Natural Gas Act. Nothing contained herein shall be 
construed to deny Customer any rights it may have under the Natural Gas Act, including the right 
to participate fully in rate or other proceedings by intervention or otherwise to contest increased 
rates in whole or in part.

4. Unless otherwise required in the Tariff, all notices shall be in writing and shall be considered duly 
delivered when mailed to the applicable address below or transmitted via facsimile. Customer or
Algonquin may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Algonquin:

Customer:

5. The interpretation and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Massachusetts, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

6. This Agreement supersedes and cancels, as of the effective date of this Agreement, the contract(s) between the parties hereto as described below, if applicable:

[None or an appropriate description]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized to be effective as of the date stated above.

CUSTOMER:______________________

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By:______________________________

Name: ___________________________

Title:_____________________________
FORM OF SERVICE AGREEMENT FOR
CAPACITY RELEASE UMBRELLA AGREEMENT UNDER
RATE SCHEDULES AFT-1, AFT-1S, AFT-E, AFT-ES AND AFT-CL

This Umbrella Service Agreement, made and entered into this ______ day of __________, by and between _________________ (herein called “Replacement Customer”), and Algonquin Gas Transmission, LLC, a Delaware limited liability company (herein called “Algonquin”).

WHEREAS,

NOW, THEREFORE, for and in consideration of the mutual covenants and promises herein contained, the Replacement Customer and Algonquin hereby agree as follows:

ARTICLE I
SCOPE OF AGREEMENT

This Umbrella Service Agreement is in all respects subject to and governed by Rate Schedules AFT-1, AFT-1S, AFT-E, AFT-ES and AFT-CL and the General Terms and Conditions of the Algonquin FERC Gas Tariff (“Tariff”) as such rate schedules may be modified from time to time, and such are incorporated by reference. In the event that language of this Umbrella Service Agreement or any Exhibit conflicts with Algonquin’s Tariff, the language of the Tariff will control.

Subject to the terms, conditions and limitations hereof, so long as the financial evaluation and credit appraisal requirements are met in order for Replacement Customer to be on Algonquin’s Approved Bidder list for capacity releases and execute this Umbrella Service Agreement pursuant to Section 14 of Algonquin’s General Terms and Conditions, and this Umbrella Service Agreement is effective, Replacement Customer may bid from time to time on releases of capacity to be acquired under Rate Schedules AFT-1, AFT-1S, AFT-E, AFT-ES and AFT-CL pursuant to the procedures set forth in Section 14 of Algonquin's General Terms and Conditions. If at any time a bid submitted by Replacement Customer is accepted by Algonquin with respect to a given capacity release, Algonquin will promptly send to Replacement Customer an Addendum to this Umbrella Service Agreement, in the format attached hereto, depending upon the rate schedule under which the capacity is being acquired. An Addendum shall be deemed to be an executed Service Agreement under the rate schedule designated therein, subject to the terms and conditions of the rate schedule, the form of Service Agreement applicable to such rate schedule, and the General Terms and Conditions of Algonquin's tariff. The parties agree that each Addendum is an integral part of this Umbrella Service Agreement as if executed by the parties hereto and fully copied and set forth herein at length and is binding on the parties hereto.

Subject to the terms, conditions and limitations hereof and of Algonquin’s Rate Schedules AFT-1, AFT-1S, AFT-E, AFT-ES and AFT-CL, as applicable, and the forms of Service Agreement applicable thereto, Algonquin agrees to provide the applicable released service for Replacement Customer under the applicable rate schedule, provided that the Replacement Customer qualified under the financial evaluation and credit appraisal requirements set forth in Section 3 of Algonquin's General Terms and Conditions at the time it submitted the bid Algonquin accepted with respect to such release.

Replacement Customer hereby agrees to advise Algonquin of any material change in the information previously provided by the Replacement Customer to Algonquin pursuant to Section 3 of Algonquin's General Terms and Conditions.
ARTICLE II
TERM OF AGREEMENT

The term of this Agreement shall commence on __________ and shall continued in force and effect until __________ and __________ to __________ thereafter unless this Umbrella Service Agreement is terminated as hereinafter provided. If Algonquin determines at any time that Replacement Customer fails to meet the financial standards or credit criteria of Section 3 of the General Terms and Conditions, Algonquin may terminate this Agreement prospectively, without affecting Addenda previously executed but subject to the terms and conditions of Algonquin’s tariff.

ARTICLE III
RATE SCHEDULE

This Umbrella Service Agreement does not have separate terms and conditions for particular services, but only provides a means for a Replacement Customer to utilize a service subject to the applicable provisions of the relevant Service Agreement and the terms and conditions for Rate Schedules AFT-1, AFT-1S, AFT-E, AFT-ES and AFT-CL, in the form attached hereto and fully incorporated herein as a part of this Umbrella Service Agreement.

Replacement Customer agrees that Algonquin shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to this Umbrella Service Agreement (b) the terms and conditions of this Umbrella Service Agreement, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions, Rate Schedule applicable to this Umbrella Service Agreement, or Form of Service Agreement applicable to this Umbrella Service Agreement. Algonquin agrees that the Replacement Customer may protest or contest the aforementioned filings, and the Replacement Customer does not waive any rights it may have with respect to such filings.

ARTICLE IV
ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Algonquin’s FERC Gas Tariff, any notice, request, demand, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or first class mail to the post office address of the parties hereto, as the case may be, as follows:

(a) Algonquin:

(b) Replacement Customer:

or such other address as either party shall designate by formal written notice.

ARTICLE V
INTERPRETATION

The interpretation and performance of this Umbrella Service Agreement shall be in accordance with the laws of ______________________, without recourse to the law governing conflict of laws.

This Umbrella Service Agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter, either State or Federal, and to all valid present and future orders, rules, and regulations of duly constituted authorities having jurisdiction.
IN WITNESS WHEREOF, the parties hereto have caused this Umbrella Service Agreement to be signed by their respective Officers and/or Representatives thereunto duly authorized, to be effective as of the date stated above.

ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________________

Name: ________________________________________

Title: ________________________________________

[CUSTOMER]

By: ________________________________________

Name: ________________________________________

Title: ________________________________________
FORM OF SERVICE AGREEMENT FOR
CAPACITY RELEASE UMBRELLA AGREEMENT UNDER
RATE SCHEDULES AFT-1, AFT-1S, AFT-E, AFT-ES AND AFT-CL

Deal No.: __________
Algonquin Addendum Contract No.: __________
Capacity Release Rate Schedule: __________

Releasing Customer: _______________________________
Releasing Customer's Contract No.: ________________

Begin Date of Release: _________________________
End Date of Release: _________________________

Maximum Daily Transportation Quantity _________________ Dth
Maximum Annual Transportation Quantity _________________ Dth
Minimum Volume Commitment _________________ Dth/Monthly Billing Period

Is this capacity subject to right of recall? Yes ___ No ___
Recall Comments:

Is this a permanent release? Yes____ No ______
Other Comments:

Rates: Check all that apply:

- Maximum Rate Yes____ No ______
- Is this a release as a percent of Maximum Rate? Yes ____ No ____
  If yes, what percent? _____________
- Volumetric _____________
- Reservation Charge _____________
FORM OF SERVICE AGREEMENT FOR
CAPACITY RELEASE UMBRELLA AGREEMENT UNDER
RATE SCHEDULES AFT-1, AFT-1S, AFT-E, AFT-ES AND AFT-CL
(Continued)

Deal No.: __________  
Algonquin Addendum Contract No.: __________  
Capacity Release Rate Schedule: __________

Primary Point of  Maximum Daily  
Receipt  Receipt Obligation

Primary Point of  Maximum Daily  
Delivery  Delivery Obligation

This addendum, entered into pursuant to Algonquin's capacity release program and to the executed Capacity Release Umbrella Agreement between Algonquin and the Replacement Customer, is heretofore made a part of and subject to the aforementioned Capacity Release Umbrella Agreement.
This Multiple Shipper Option Agreement ("MSOA") is entered into effective as of __________, ______ ("Effective Date") by and among Algonquin Gas Transmission, LLC ("Algonquin"), ______________, individually and collectively, "Principals" and ______________, "Administrator". Each of the Principals and the Administrator may hereinafter be referred to as a "Party" or collectively, as "the Parties."

WHEREAS, each of the Principals and the Administrator are LINK® System Subscribers in accordance with the General Terms and Conditions of Algonquin’s FERC Gas Tariff; and

WHEREAS, each of the Principals desire to appoint Administrator as its agent to enter into a service agreement with Algonquin as though such Administrator were such Principal.

NOW THEREFORE in consideration of the mutual benefits, covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Parties hereto agree as follows:

1. Each of the Principals hereby:
   (a) appoints Administrator as its agent from and after the Effective Date to enter into a single service agreement with Algonquin in which the Principals shall be treated collectively as one Customer for contracting, capacity release, scheduling, nomination, allocation and billing purposes;
   (b) represents and warrants that it has the power and authority to appoint Administrator as its agent and to cause Administrator to enter into the service agreement on its behalf;
   c) represents and warrants that Algonquin shall be entitled to rely solely on the Administrator as being the "Customer" for all purposes under the service agreement, including without limitation, the unilateral right to amend, extend or terminate the service agreement, without liability to Algonquin for its reliance thereon;
   (d) agrees to indemnify and hold Algonquin harmless from any third party claims attributable to Algonquin’s reliance on Administrator's instruction pursuant to this MSOA;
   (e) represents and warrants that it will meet the "shipper must have title" requirements as set forth in Section 21 of Algonquin's FERC Gas Tariff for all service provided to it under the service agreement; and
   (f) represents, warrants, and agrees that it is jointly and severally liable for the obligations of all Customers under the service agreement while the Principal is a party under this MSOA.

2. Administrator hereby:
   (a) accepts the appointment as agent and covenants and agrees with each of the Principals that from and after the Effective Date, it will be bound by the terms and conditions of the service agreement, and will observe and perform the covenants and agreements of the service agreement;
   (b) represents and warrants that it has the power and authority to accept the appointment as agent for the service agreement on behalf of each of the Principals;
(c) agrees to indemnify and hold Algonquin harmless from any third party claims attributable to Algonquin’s reliance on Administrator’s instruction pursuant to this MSOA; and

(d) agrees to remain Administrator for so long as the service agreement is in effect.

3. Credit support in an amount to be determined pursuant to Algonquin’s FERC Gas Tariff for the total contract quantity under the service agreement shall be provided to Algonquin prior to the effective date of such service agreement or of any amendment thereto which increases the contract entitlements. The collateral must be provided by any one or a combination of the Principals (which entity or entities providing such collateral may change during the term of the service agreement) and will be adjusted in the event of an amendment to the service agreement that results in an increase or decrease in the required credit support.

4. Each Principal acknowledges and agrees that it is a Principal under the service agreement that includes multiple Principals and that Algonquin is entitled to rely solely on the Administrator’s representation regarding the allocation of rights and obligations among the Principals under the service agreement, even if the representation is inconsistent with the position of one or more of the Principals. Each Principal releases Algonquin from any and all claims, disputes, liability or causes of action it may have arising out of or related to such relationship, Algonquin needing only to look to Administrator for all purposes under the service agreement.

5. This MSOA may not be assigned. This MSOA shall remain in effect for so long as the service agreement is in effect, including any amendments thereto; provided that the provisions of Section 1(d) and 1(f) shall survive termination of this MSOA; and, provided further, that in the event a service agreement using this MSOA has not been executed by Administrator within six months of the Effective Date, this MSOA shall automatically terminate and have no further force and effect.

6. A Principal, who is not the Administrator, may be removed from or added to this MSOA through an amendment executed by such Principal, the remaining Principals, any new Principal and the Administrator, the execution of which may not be unreasonably withheld, delayed, or conditioned. No such amendment to the MSOA shall be binding on Algonquin until the amended MSOA is executed by such Principal, the Administrator and the remaining Principals along with any new Principal and in the event such change in Principals impacts the credit support required by Paragraph 3 above, such requirements have been satisfied. In the event the MSOA is amended to remove a Principal (“Removed Principal”), the MSOA shall terminate as to any Removed Principal upon the effective date of an amended MSOA as set forth hereinabove; provided however, such Removed Principal shall remain liable for any obligations, claims or liability under the service agreement regardless of when brought, the event giving rise to which occurred prior the effective date of such replacement MSOA.

7. This MSOA may be executed in multiple counterparts and, when each Party has executed and delivered a counterpart, all counterparts together shall constitute one agreement.

IN WITNESS WHEREOF the Parties hereto have executed and delivered this MSOA as of the date first above written.
Algonquin Gas Transmission, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

Principal

By: ______________________________   By: ______________________________
Name: ____________________________   Name: ____________________________
Date: _____________________________   Date: _____________________________

Principal

By: ______________________________   By: ______________________________
Name: ____________________________   Name: ____________________________
Date: _____________________________   Date: _____________________________

[add additional signature lines for Principals and/or Removed Principals, when applicable, as necessary]
FORM OF SERVICE AGREEMENT FOR THE LINK® SYSTEM

This LINK® System Agreement, executed this ______ day of ___________, ______, by and between ___________________________ (Service Requester Proprietary Number _______)(hereafter referred to as “LINK® System Subscriber”), and ALGONQUIN GAS TRANSMISSION, LLC; BIG SANDY PIPELINE, LLC; BOBCAT GAS STORAGE; EAST TENNESSEE NATURAL GAS, LLC; EGAN HUB STORAGE, LLC; MOSS BLUFF HUB, LLC; OZARK GAS TRANSMISSION, L.L.C.; SALTVILLE GAS STORAGE COMPANY L.L.C.; and TEXAS EASTERN TRANSMISSION, LP (whether one or more, hereafter referred to as “Pipeline”), witnesseth that for and in consideration of the mutual covenants and provisions herein contained and subject to all of the terms, provisions and conditions herein set forth, LINK® System Subscriber and Pipeline do hereby agree as follows:

ARTICLE I
SCOPE OF AGREEMENT

a. Pipeline shall make available for use by LINK® System Subscriber Pipeline's computerized electronic communication system, the LINK® Customer Interface System (“LINK® System”), to perform such functions as may be available on the LINK® System from time to time.

b. Use of the LINK® System is subject to Pipeline's General Terms and Conditions or Statement of General Terms and Standard Operating Conditions, as applicable, as well as the provisions of any Rate Schedule, Contract and/or Service Agreement of the FERC Gas Tariff or Statement of General Terms and Standard Operating Conditions, as applicable, of the Pipeline with whom the LINK® System Subscriber is interacting to carry out the LINK® System transactions, as set forth in said Pipeline's currently effective FERC Gas Tariff or Statement of General Terms and Standard Operating Conditions, as applicable, as effective from time to time, and which are hereby incorporated by reference.

c. LINK® System Subscriber agrees that Pipeline shall have the unilateral right to file with the appropriate regulatory authority and to make changes effective in (a) the rates and charges applicable to service pursuant to this LINK® System Agreement; and (b) any provision of Pipeline's FERC Gas Tariff or Statement of General Terms and Standard Operating Conditions, as applicable, related to this LINK® System Agreement. Pipeline agrees that LINK® System Subscriber may protest or contest the aforementioned filings, and LINK® System Subscriber does not waive any rights it may have with respect to such filings.

ARTICLE II
TERM

The term of this LINK® System Agreement shall commence on the date of execution hereof and shall continue in full force and effect on a month to month basis until terminated by Pipeline or LINK® System Subscriber, within thirty days prior written notice of such termination.

ARTICLE III
ADDRESSES

Except as provided in the General Terms and Conditions of Pipeline's FERC Gas Tariff or Pipeline's Statement of General Terms and Standard Operating Conditions, as applicable, any notice, request, demand, statement, bill or payment pursuant to this LINK® System Agreement shall be in writing and shall be considered as duly delivered when received on-line via the LINK® System, or when received

Issued on:  August 9, 2016
Effective on:  September 9, 2016
as registered, certified, or regular mail at the address of the parties hereto, as the case may be, as follows:

(a) Pipeline: Spectra Energy Transmission
Attn: LINK® Services, Room WO 3I-32
5400 Westheimer Court
P.O. Box 1642
Houston, TX 77251-1642

(b) LINK® System Subscriber:

[The address LINK® System Subscriber shall designate by submitting the on-line Contact Information as discussed in the Electronic Communications section of the General Terms and Conditions of the relevant Pipeline’s FERC Gas Tariff or Statement of General Terms and Standard Operating Conditions, as applicable.]

ARTICLE IV
INTERPRETATION

The interpretation and performance of this LINK® System Agreement shall be in accordance with the laws of the State of Texas without recourse to the law governing conflicts of law.

This LINK® System Agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter hereof, either State or Federal, and to all valid present and future orders, rules, and regulations of duly constituted authorities having jurisdiction.

ARTICLE V
AGREEMENTS BEING SUPERSEDED

When this LINK® System Agreement becomes effective, it shall supersede any LINK® System Agreements between the parties hereto with an earlier execution date.

Issued on: August 9, 2016
Effective on: September 9, 2016
IN WITNESS WHEREOF, the parties hereto have caused this LINK® System Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

ALGONQUIN GAS TRANSMISSION, LLC
By: Spectra Algonquin Management, LLC,
in its capacity as operator

BIG SANDY PIPELINE, LLC
BOBCAT GAS STORAGE
EAST TENNESSEE NATURAL GAS, LLC
EGAN HUB STORAGE, LLC
MOSS BLUFF HUB, LLC
OZARK GAS TRANSMISSION, L.L.C.
SALTVILLE GAS STORAGE COMPANY L.L.C.

TEXAS EASTERN TRANSMISSION, LP
by its General Partner
Spectra Energy Transmission Services, LLC

By: ____________________________

Title: __________________________

________________________________
Signature

LINK® System Subscriber

By: ____________________________

Title: __________________________

________________________________
Signature
OPERATIONAL BALANCING AGREEMENT ("AGREEMENT")
BETWEEN
ALGONQUIN GAS TRANSMISSION, LLC
AND

This Agreement is made and effective as of the ________ day of _________________, 20__, by
__________ ("OBA Party") and by Algonquin Gas Transmission, LLC ("Algonquin"), collectively referred
to as "Parties" or individually referred to as a "Party".

WITNESSETH

WHEREAS, the pipeline facilities operated by the Parties interconnect at the interconnection
to be delivered to or received from the Location (said quantities hereinafter referred to as "Scheduled
quantities"; and

WHEREAS, the Parties desire to implement an operational balancing agreement in order to
facilitate more efficient operations, accounting, and systems management at the Location and on the
Parties’ respective systems; and

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein,
the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article 1: Operational Parameters

(1.1) Prior to the date and time of flow at each Location, the Parties shall confirm and schedule Service
Requester(s) nominations which will be delivered or received at each Location. Such
confirmation between the Parties shall be made electronically via electronic interface system
(such as the Parties’ Electronic Bulletin Boards or other successor systems), unless otherwise
mutually agreed to by the Parties.

(1.2) The Parties intend that the total dekatherms of natural gas actually delivered and received each
gas day at each Location will equal the Scheduled Quantities for said Location. Each Party will
allocate the dekatherms that have been delivered and received at each Location among the
Service Requester Agreements on its system pursuant to the Scheduled Quantities at each such
Location. Any difference between the total actual physical flow of gas and the total of all
Scheduled Quantities at each Location for such gas day is defined for the purposes of this
Agreement as the “Daily Operational Imbalance”. The sum of all unresolved Daily Operational
Imbalances at any given time is defined for purposes of this Agreement as the “Cumulative
Operational Imbalance”. The Parties shall eliminate such Daily Operational Imbalance and
Cumulative Operational Imbalance pursuant to this Agreement.
(1.3) Unless the Parties otherwise mutually agree, the best available operating data for gas flows at the Location shall be used on a daily basis during any current period to determine the estimated Cumulative Operational Imbalance at the Location, with physical flow adjustments to be made during that current period as mutually agreed to by both Parties to attempt to maintain or achieve a Cumulative Operational Imbalance of zero at the Location. The Cumulative Operational Imbalance shall be calculated by Measuring Party no later than the tenth (10th) day of the following month.

(1.4) [In the event that the Parties agree to resolve any Cumulative Operational Imbalance via the cash out mechanism set forth in Algonquin’s FERC Gas Tariff, the following language will be included in the Operational Balancing Agreement between the Parties as paragraph (1.4):] "Any Cumulative Operational Imbalance calculated pursuant to paragraph (1.3) above for said month shall be cashed-out in accordance with the balancing provisions set forth in Section 25.10 of the General Terms and Conditions of Algonquin’s FERC Gas Tariff. Once the Cumulative Operational Imbalance has been cashed out for a particular month, such cash out shall be a Party's sole remedy for resolution of the Cumulative Operational Imbalance, unless mutually agreeable."]

Article 2: Term and Effectiveness

(2.1) [In the event that the Parties agree to resolve any Cumulative Operational Imbalance via the cash out mechanism set forth in Algonquin’s FERC Gas Tariff, the following language will be included in the Operational Balancing Agreement between the Parties as paragraph (2.1):] "Upon the termination of this Agreement, the Parties agree to cash-out any remaining Cumulative Operational Imbalance pursuant to the terms and conditions of this Agreement within thirty (30) days of termination of this Agreement or such other period of time which is mutually agreed upon by the Parties."]

(2.2) Subject to the provisions of this Article 2, this Agreement shall be effective as of the effective date and shall continue from month to month thereafter until terminated by either Party upon not less than thirty (30) days’ prior written notice.

(2.3) Notwithstanding the provisions of Paragraph (2.2), this Agreement can be terminated by either Party under the following conditions:

(a) Failure by either Party to immediately adjust the operations of its system when informed in writing or by electronic interface system of a critical operating condition(s) by the other Party. A critical operating condition is determined in the sole reasonable judgment of the Party claiming a critical operating condition.
(b) In the event that the Parties agree to resolve any Cumulative Operational Imbalance via an in-kind of receipt or delivery of natural gas, the following language will be included in the Operational Balancing Agreement between the Parties as paragraph (2.3(b)): "Failure of the Parties to agree in writing on the final adjusted Cumulative Operational Imbalance prior to the fifteenth (15th) day of the month following the last month gas was delivered; provided, however, if the Parties disagree on the final adjusted Cumulative Operational Imbalance but are diligently working towards a resolution, then this Agreement will not terminate."

Article 3: Miscellaneous

(3.1) This Agreement and the terms and conditions herein are subject to all present and future valid laws, orders, rules and regulations established by a governmental body with jurisdiction that is applicable to the Parties and this Agreement.

(3.2) In the event a conflict exists or arises between this Agreement and the Algonquin FERC Gas Tariff, as amended from time to time, it is agreed and understood that the latter shall control. This Agreement shall supersede any other agreements with respect to the handling of a Daily Operational Imbalance and the Cumulative Operational Imbalance at the Location.

(3.3) OBA Party hereby acknowledges and agrees that the provisions of Algonquin's FERC Gas Tariff are incorporated herein by reference and made a part of this Agreement for all purposes, and that such FERC Gas Tariff provisions shall be applicable to operations on Algonquin's pipeline system, including any and all rights and obligations of Algonquin pursuant to this Agreement and any and all rights and obligations of OBA Party pursuant to this Agreement. OBA Party also agrees that it shall be required to comply with all of the creditworthiness requirements in Algonquin's FERC Gas Tariff throughout the term of this Agreement.

(3.4) This Agreement is for accounting and system management purposes only, and is entered into by the Parties with the understanding that the balancing activities provided for hereunder will not subject any non-jurisdictional entity to regulation by the Federal Energy Regulatory Commission as a "natural gas company" under the provisions of the Natural Gas Act. If, at any time, it should be determined that such balancing activities do result in such regulation, then this Agreement shall immediately terminate, and any remaining Cumulative Operational Imbalance shall be resolved pursuant to Paragraph (2.1) of this Agreement.

(3.5) This Agreement is not assignable.

(3.6) This Agreement shall be construed in accordance with the laws of the State of Texas without regard to conflicts of law principles. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION ARISING UNDER THIS AGREEMENT.

(3.7) No waiver by either Party of any one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any continuing or future default or defaults, whether of a like or different character, or a waiver of each of the Parties’ obligations to eliminate a Daily Operational Imbalance or the Cumulative Operational Imbalance by adjusting nominations and, or, deliveries and receipts of gas at the Location, as provided herein.

(3.8) The Parties intend that there shall be no third party beneficiary to this Agreement. Nothing in this Agreement shall entitle any persons other than OBA Party or Algonquin, to any claim, cause of action, remedy or right of any kind relating to the transaction(s) contemplated by this Agreement.

Issued on: August 9, 2016
Effective on: September 9, 2016
(3.9) As provided in this Agreement, written notices shall be mailed to the post office address of the Party intended to receive the same, as follows:

(OBA Party):
Address: 

Algonquin:
P. O. Box 1642
Houston, Texas  77251-1642
Attention:  Operational Balancing

(3.10) This Agreement constitutes the entire agreement between the Parties concerning the subject matters of this Agreement, and there are no oral or other written agreements relating to such matters.

(3.11) This Agreement supercedes and cancels, as of the effective date of this Agreement, the contract(s) between the Parties hereto as described below:

[None or an appropriate description]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized representatives effective on the date set forth hereinabove.

ALGONQUIN GAS TRANSMISSION, LLC
By: Spectra Algonquin Management, LLC, in its capacity as operator

By: _____________________________

Name: _____________________________

(OBA PARTY)
By: _____________________________

Name: _____________________________
**EXHIBIT 1**

To the Operational Balancing Agreement
Between
Algonquin Gas Transmission, LLC
And
___________________ ("OBA Party")

Date: ________________

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ALGONQUIN GAS TRANSMISSION, LLC

By: Spectra Algonquin Management, LLC, in its capacity as operator

By: ________________________________

Name: ________________________________

(OBA PARTY)

By: ________________________________

Name: ________________________________
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