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Tariff First Revised Volume No. 1

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FERC GAS TARIFF
FIRST REVISED VOLUME NO. 1
(Supersedes Gulfstream Natural Gas System, L.L.C. Original Volume No. 1)

OF
GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

FILED WITH
FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning the Tariff Should Be Addressed To:

P. Martin Teague, Associate General Counsel
2701 N. Rocky Point Drive, Suite 1050
Tampa, Florida  33607

Telephone Number: 813-282-6605
Facsimile Number: 813-289-4438
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Gulfstream Natural Gas System, L.L.C. owns and operates a natural gas pipeline company 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. Its pipeline system extends in an easterly direction from Pascagoula, Mississippi and Mobile, Alabama, to various points in Florida.

The location of Gulfstream's mainline, major laterals and the principal points at which it receives and delivers gas are shown on the map included herein.

Services will be provided under specific Agreements and rate schedules and Gulfstream reserves the right to limit its Agreements for transportation of gas to Shippers acceptable to it after consideration of its existing commitments, delivery capacity, point of delivery, credit-worthiness of Shippers, and other factors deemed pertinent by Gulfstream, consistent with the terms and conditions of this tariff.

Nothing in this tariff is intended to inhibit the development of, or discriminate against the use of, imbalance management services provided by third parties or Gulfstream's Shippers. Any party interested in providing imbalance management services must coordinate with Gulfstream.
SYSTEM MAP

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

http://www.1line.gulfstreamgas.com/GulfStream/Files/systemMap.pdf
STATEMENTS OF RATES

INDEX

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### STATEMENT OF TRANSPORTATION RATES

<table>
<thead>
<tr>
<th>Rate Schedule</th>
<th>MHQ Percentage</th>
<th>Maximum Rate Per Dth</th>
<th>Minimum Rate Per Dth</th>
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</thead>
<tbody>
<tr>
<td>RATE SCHEDULE FTS 1/</td>
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<tr>
<td>1. Deliverability Reservation Rate Per Day Per Dth of MHQ</td>
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<tr>
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<td>3. Usage-1 Rate Per Dth 2/</td>
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<td>4. 100% L.F. Rates for Various Hourly Flow Rates 3/</td>
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<td></td>
<td>5.0%</td>
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<td>5. Usage-2 Rate Per Dth for Various Hourly Flow Rates</td>
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<td></td>
</tr>
<tr>
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</tr>
<tr>
<td></td>
<td>8.0%</td>
<td>$0.8482</td>
<td></td>
</tr>
</tbody>
</table>

**RATE SCHEDULE ITS 1/**

<p>| | | | |</p>
<table>
<thead>
<tr>
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**RATE SCHEDULE PALS 1/**

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<tr>
<td>1. Usage Rate Per Dth</td>
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<td>$0.0055</td>
<td></td>
</tr>
</tbody>
</table>

1/ Backhaul rate is equal to the Forward haul rate.
2/ Does not vary with MHQ Percentage.
3/ For comparative purposes only.
### STATEMENT OF CAPACITY RELEASE RATES

<table>
<thead>
<tr>
<th>Rate Schedule</th>
<th>MHQ Percentage</th>
<th>Maximum Rate Per Dth</th>
<th>Minimum Rate Per Dth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>----</td>
<td>----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>MAXIMUM DAILY CAPACITY RELEASE RATE 1/</td>
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<tr>
<td>1. Deliverability Reservation</td>
<td>4.2%</td>
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<td>$0.0000</td>
</tr>
<tr>
<td>Rate Per Day Per Dth of MHQ</td>
<td>5.0%</td>
<td>$0.3463</td>
<td>$0.0000</td>
</tr>
<tr>
<td></td>
<td>6.0%</td>
<td>$0.4155</td>
<td>$0.0000</td>
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<td></td>
<td>8.0%</td>
<td>$0.5541</td>
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</tr>
<tr>
<td>2. Capacity Reservation Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Per Day Per Dth of MDQ 2/</td>
<td>$0.2886</td>
<td>$0.0000</td>
<td></td>
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<td>3. Usage-1 Rate per Dth 2/</td>
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</tr>
</tbody>
</table>

1/ Backhaul rate is equal to the Forward haul rate.
2/ Does not vary with MHQ Percentage.
3/ For comparative purposes only
### STATEMENT OF ADDITIONAL CHARGES AND SURCHARGES

<table>
<thead>
<tr>
<th>ADDITIONAL CHARGES AND SURCHARGES APPLICABLE TO FTS AND ITS SERVICE</th>
<th>Maximum Rate</th>
<th>Minimum Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Annual Charge Adj. (ACA)</td>
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<td>1/</td>
</tr>
<tr>
<td>2. Gas for Transporter's Use (%)</td>
<td>1.85 Percent</td>
<td></td>
</tr>
<tr>
<td>3. System Balancing Adjustment</td>
<td>3/</td>
<td></td>
</tr>
</tbody>
</table>

1/ ACA Commodity Surcharge to applicable customers, pursuant to Section 23.1 of the General Terms and Conditions.  
2/ Transporter's Use (%) will not be applied to Backhaul Transportation.  
3/ The net SBA balance shall be refunded or charged pursuant to Section 23.3 of the General Terms and Conditions.
This section 4 of the Statements of Rates and all of its subsections (4.1 through 4.25) are reserved for future use.
RATE SCHEDULES

INDEX

DESCRIPTION/TITLE

1. Rate Schedule FTS - Firm Transportation Service
2. Rate Schedule ITS - Interruptible Transportation Service
3. Rate Schedule PALS - Parking and Lending Service
1. AVAILABILITY

This Rate Schedule is available to any Shipper for the Transportation of Gas by Transporter, subject to the following limitations:

   (a) Transporter has determined that it has sufficient available and uncommitted capacity to perform service requested by Shipper; and

   (b) Shipper and Transporter have executed an Agreement under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

   (a) This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed Agreement under this Rate Schedule.

   (b) Transportation Service under this Rate Schedule shall consist of: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account up to Shipper's MDQ, at hourly rates up to Shipper's MHQ plus, on an interruptible basis and with no additional charge for the additional hourly flexibility, the additional interruptible hourly quantity determined pursuant to Section 14 of the General Terms and Conditions.

   (c) Transportation Service rendered under this Rate Schedule shall be firm, up to the Primary Route MDQs and MHQs specified in the executed Agreement.

3. RATES

Each Month, Shipper shall pay to Transporter the following rates:

3.1 Reservation Rates.

   (a) A Deliverability Reservation Rate, as stated on the Statement of Transportation Rates, shall be paid each Month for each Dekatherm of Shipper's MHQ, multiplied by 24, then multiplied by the number of Days in the Month, plus
(b) A Capacity Reservation Rate, as stated on the Statement of Transportation Rates, shall be paid each Month for each Dekatherm of Shipper's MDQ, multiplied by the number of Days in the Month.

3.2 Usage Rates.

(a) The Usage-1 Rate, as stated on the Statement of Transportation Rates, multiplied by that portion of the total quantity of Gas deliveries on any Day pursuant to the Shipper's Agreement which is not in excess of the lower of (i) 110% of the scheduled quantities of Gas under the Agreement for such Day or (ii) the MDQ in effect under the Agreement for such Day.

(b) The Usage-2 Rate, as stated on the Statement of Transportation Rates, multiplied by that portion of the total quantity of Gas deliveries on any Day pursuant to the Shipper's Agreement which is greater than the lower of (i) 110% of the scheduled quantities of Gas under the Agreement for such Day or (ii) the MDQ in effect under the Agreement for such Day.

(c) Other Applicable Charges or Surcharges. All applicable surcharges or charges, including, but not limited to those contained in Sections 8 and 23 of the General Terms and Conditions, and as stated on the Statement of Additional Charges and Surcharges multiplied by each Dekatherm of Gas delivered.

3.3 Transporter's Use. Each Shipper will furnish Transporter fuel at the nominated Receipt Point(s). The amount of fuel furnished to Transporter will be based on the applicable percentage for Transporter's Use, as calculated pursuant to Section 23.2 of the General Terms and Conditions and as stated on the Statement of Additional Charges and Surcharges.

3.4 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 31 of the General Terms and Conditions, to a negotiated rate, which rate shall be less than, equal to, or greater than Transporter's Maximum Recourse Rate, but shall not be less than the minimum rate. Any such rates may be based upon a rate design other than straight fixed variable (SFV). Such negotiated rate shall be set forth in an executed Agreement and/or in Transporter's Tariff and may be agreed to in a written agreement between Transporter and Shipper.

3.5 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated on the Statement of Transportation Rates of this Tariff or a
superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth on such Statement of Transportation Rates. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings and/or postings on 1LineSM required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

3.6 Failure to Deliver. If on any Day in a Month, due to an event of Force Majeure, Transporter is unable to tender for delivery Transportation volumes, up to Shipper's MDQ and/or MHQ scheduled pursuant to Section 6 of the General Terms and Conditions, Transporter shall calculate a credit for such Day to be included in Shipper's invoice for that Month.

For Shippers paying Recourse Rates, such credit shall be the product of (1) the sum of (a) the Deliverability Reservation Rate multiplied by twenty-four (24) multiplied by Shipper's Hourly Flow Rate and (b) the Capacity Reservation Rate, and (2) the difference between the quantity of Gas nominated and made available for Transportation Service, up to the MDQ and the quantity actually delivered by Transporter for the account of Shipper during such Day. For Shippers paying Negotiated Rates, unless otherwise agreed to in the Negotiated Rate Agreement, such credit shall be the product of (1) the reservation-based portion of the applicable Negotiated Rate in effect for the period of non-delivery, and (2) the difference between the quantity of Gas nominated and made available for Transportation Service up to the MDQ and the quantity actually delivered by Transporter for the account of Shipper during such Day.

4. RECEIPT AND DELIVERY POINTS

4.1 The Receipt Point(s) at which Transporter shall receive Gas for Transportation hereunder shall be those listed in Exhibit A attached to Shipper's Agreement and such Exhibit shall designate all of Shipper's potential Receipt Point(s) and shall further designate Shipper's Primary Receipt Point(s).

4.2 Upon five (5) Business Days prior notice, Shipper shall have the right to redesignate any points listed on Exhibit A as Primary Receipt Point(s), subject to available capacity and the provisions of the General Terms and Conditions. Furthermore, Shipper shall have the right to utilize all other Receipt Point(s) as Secondary Receipt Point(s), subject to available capacity and the provisions of the General Terms and Conditions.
4.3 Shipper's Primary Delivery Point(s) and/or Shipper's Primary Route will be listed in Exhibit B attached to Shipper's Agreement. Shipper shall have the right to utilize all other Delivery Point(s) as Secondary Delivery Point(s), subject to available capacity and the provisions of the General Terms and Conditions.

4.4 Upon five (5) Business Days prior notice, Shipper shall have the right to redesignate any points listed on Exhibit B as Primary Delivery Point(s), subject to available capacity and the provisions of the General Terms and Conditions; provided, however, if Shipper is paying a Negotiated Rate for service under the Agreement and requests to change its Primary Delivery Point under the Agreement, then unless otherwise agreed to in writing by Shipper and Transporter the rate applicable for service to such new Primary Delivery Point shall be the maximum Recourse Rate. Furthermore, Shipper shall have the right to utilize all other Delivery Point(s) as Secondary Delivery Point(s), subject to available capacity and the provisions of the General Terms and Conditions.

4.5 Shipper shall elect the MHQ for Shipper's Gas at the Primary Delivery Point at the time its request for Transportation Service is submitted to Transporter pursuant to Section 27 of the General Terms and Conditions. Such election may not include more than one MHQ at a Primary Delivery Point at any point in time. Such MHQ shall reflect deliveries at Maximum Hourly Flow Rates of 4.2%, 5.0%, 6.0%, 7.0% or 8.0% of MDQ. Such election by Shipper will be set forth in the Agreement. Deliveries at Secondary Delivery Points up to Shipper's MHQ will be allowed to the extent capacity is available and it is operationally feasible, subject to Section 2(b) of this Rate Schedule.

4.6 Subject to mutual agreement and the provisions of Section 12 of the General Terms and Conditions, Shipper shall agree with Transporter as to the minimum delivery pressure at the Delivery Point. Such pressure shall be set forth in Exhibit B to the Agreement.

5. COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

6. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.

7. OPERATIONAL MEETINGS
Transporter shall offer to meet at least once every two years with its Shippers under this Rate Schedule to discuss operational issues. Such meetings may be conducted with one or more Shippers or with individual Shippers meeting at a mutually agreeable time and location.
RANGE SCHEDULE ITS  
Interruptible Transportation Service

1. AVAILABILITY

This Rate Schedule is available to any Shipper for the Transportation of Gas by Transporter when Shipper and Transporter have executed an Agreement under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

(a) This Rate Schedule shall apply to all Transportation Service rendered by Transporter for Shipper pursuant to the executed Agreement under this Rate Schedule.

(b) Transportation Service under this Rate Schedule shall consist of: (1) the receipt of Gas on behalf of Shipper, (2) the Transportation of Gas, and (3) the Tender of Gas for delivery by Transporter to Shipper, or for Shipper's account.

(c) Transportation Service rendered under this Rate Schedule shall be interruptible. Interruptible service shall be available only to the extent of available capacity as it may be from Day to Day and from time to time within the Gas Day, under current conditions and shall be offered in accordance with the priorities established in the General Terms and Conditions of Transporter's Tariff.

3. RATES

Each Month, Shipper will pay Transporter the following rates:

3.1 Usage-1 Rate. A rate equal to the applicable Usage Rates either as stated on the Statement of Transportation Rates multiplied by each Dekatherm of Gas delivered or as agreed upon in writing between Transporter and Shipper, but in no event will such rate be less than the minimum rate as stated on the Statement of Transportation Rates.

3.2 Usage-2 Rate. A rate equal to that stated on the Statement of Transportation Rates, multiplied by that portion of the total quantity of Gas deliveries on any Day pursuant to the Agreement, which is greater than the lower of (i) 110% of the scheduled quantities of Gas under the Agreement for such Day or (ii) the MDQ in effect under the Agreement for such Day.
3.3 Other Applicable Charges or Surcharges. All applicable surcharges or charges, including, but not limited to, those contained in Sections 8 and 23 of the General Terms and Conditions and as stated on the Statement of Additional Charges and Surcharges multiplied by each Dekatherm of Gas delivered.

3.4 Transporter's Use. Each Shipper will furnish Transporter fuel at the nominated Receipt Point(s). The amount of fuel furnished to Transporter will be based on the applicable percentage for Transporter's Use, as calculated pursuant to Section 23.2 of the General Terms and Conditions and as stated on the Statement of Additional Charges and Surcharges.

3.5 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 31 of the General Terms and Conditions, to a negotiated rate, which rate shall be less than, equal to, or greater than Transporter's applicable maximum Recourse Rate, but shall not be less than the minimum rate. Such negotiated rate shall be set forth in an executed Agreement and/or in Transporter's Tariff and may be agreed to in a written agreement between Transporter and Shipper.

3.6 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for any and all of the transportation routes for which a Maximum Rate and Minimum Rate are stated on the Statement of Transportation Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth on such Statement of Transportation Rates. Transporter shall have the right to charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings and/or postings on 1LineSM required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

4. COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or state regulatory body.

5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.
RATE SCHEDULE PALS
Parking and Lending Service

1. AVAILABILITY

This Rate Schedule is available to any Shipper for the parking and lending of Gas from Transporter, subject to the following limitations:

1.1 Transporter has determined that it is operationally able to render such service;

1.2 Shipper and Transporter have executed an Agreement under this Rate Schedule. Shipper shall be required to execute a separate Agreement for Parking Service and Lending Service, if Shipper desires both services.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to service which is rendered by Transporter for Shipper pursuant to an executed Agreement under this Rate Schedule.

2.2 Service under this Rate Schedule shall consist of either parking or lending of Gas during any Day, or part thereof. Service rendered by Transporter under this Rate Schedule shall be interruptible and shall consist of:

(a) Parking Service. Parking Service is an interruptible service which provides for (1) the receipt by Transporter of Gas quantities transported by Shipper on Transporter’s pipeline system to the PALS Point for receipt of parked quantities; (2) Transporter holding the parked quantities on Transporter's pipeline system; and (3) return of the parked quantities to Shipper at delivery point(s) nominated by Shipper, provided, however, that Transporter is not obligated to return parked quantities on the same Day on which the Gas is parked.

(b) Lending Service. Lending Service is an interruptible service which provides for (1) Shipper receiving Gas quantities from Transporter at delivery point(s) nominated by Shipper for delivery of loaned quantities of Gas; and (2) the subsequent transportation by Shipper on Transporter’s pipeline system to return loaned quantities of Gas to Transporter at the PALS Point, provided, however, that Transporter is not obligated to accept return of loaned Gas on the same Day on which the Gas is loaned.

2.3 Service rendered under this Rate Schedule shall be provided for a minimum of a one (1) Day term. The term shall be set forth on the Agreement executed between Shipper and Transporter.
2.4 Transportation of Gas quantities is not performed under this Rate Schedule. Shipper shall make the necessary scheduling arrangements with Transporter for transportation service on Transporter’s system to deliver Gas quantities at the PALS Point for Parking service or to return Gas to the PALS Point for Lending service hereunder.

3. RATES

Each Month, Shipper shall pay to Transporter the following rates:

3.1 Usage Rates.

(a) The applicable Usage Rate, as stated on the Statement of Transportation Rates, which shall be paid for each Dekatherm of Gas parked or loaned each Day at each point by Transporter for or on behalf of the account of Shipper multiplied by the highest balance of Gas quantities parked and/or loaned by Shipper on such Day;

(b) Other Applicable Charges or Surcharges. All applicable surcharges or charges including, but not limited to, those charges under Sections 8 and/or 23, and as stated on the Statement of Additional Charges and Surcharges multiplied by each Dekatherm of Gas parked or loaned each Day at each point by Transporter for or on behalf of the account of Shipper.

3.2 Transporter's Use. Shipper shall not be required to furnish fuel for service under this Rate Schedule.

3.3 Negotiated Rates. Shipper and Transporter may mutually agree, pursuant to the provisions of Section 31 of the General Terms and Conditions, to a negotiated rate, which rate shall be less than, equal to, or greater than Transporter's Maximum Recourse Rate, but shall not be less than the minimum rate. Such negotiated rate shall be set forth in an executed Agreement and/or in Transporter's Tariff and may be agreed to in a written agreement between Transporter and Shipper.

3.4 Discounted Rates. Subject to any limitations agreed to by Shipper and Transporter, Transporter may from time to time and at any time selectively adjust any or all of the rates charged to any individual Shipper for service under this Rate Schedule for which a Maximum Rate and Minimum Rate are stated on the Statement of Transportation Rates of this Tariff or a superseding Tariff; provided, however, that such adjusted rate(s) shall not exceed the applicable Maximum Rate(s), nor shall they be less than the Minimum Rate(s), set forth on such Statement of Transportation Rates. Transporter shall have the right to
charge the Maximum Rate at any time as a condition for new service, or for continuation of service under an existing Agreement. Transporter shall make all information filings and/or postings on 1LineSM required by the Commission's regulations with respect to any charges at less than the Maximum Rate.

4. OPERATIONAL REQUIREMENTS OF TRANSPORTER

4.1 Shipper may be required, upon notification from Transporter, to cease or reduce deliveries to, or receipts from, Transporter hereunder within a Day consistent with Transporter's operating requirements. Further, Shipper may be required to return loaned quantities or remove parked quantities upon notification by Transporter. Such notification shall, at a minimum, be provided by posting on 1LineSM, and may also be provided by other means of communication. Transporter's notification shall specify the time frame within which parked quantities shall be removed and/or loaned quantities shall be returned, consistent with Transporter's operating conditions, but in no event shall the specified time be sooner than the next Day after Transporter's notification, subject to the following conditions:

(a) In the event that the specified time for removal or return of Gas quantities is the next Day, the time frame for required removal or return shall begin from the time that Shipper receives notice from Transporter. Notices provided after business hours for the next Day will be provided to Shipper via Electronic Communication. In the event that Shipper makes a timely and valid nomination in response to notification by Transporter to remove parked quantities and/or return loaned quantities, Shipper shall be deemed to have complied with Transporter's notification; and

(b) Unless otherwise agreed by Shipper and Transporter: (i) any parked quantity not nominated for removal within a time frame specified by Transporter's notice shall become the property of Transporter at no cost to Transporter free and clear of any adverse claims; (ii) any loaned quantity not returned within the time frame specified by Transporter's notice shall be sold to Shipper at Transporter's Cashout Price at the >25% Imbalance level for Imbalances Due Transporter, pursuant to Section 8.7(b) of the General Terms and Conditions.

Any penalty revenues received by Transporter as a result of the operation of Section 4.1(b) above will be credited pursuant to Section 24.1(a) of the General Terms and Conditions.

4.2 In the event parked quantities remain in Transporter's pipeline system and/or loaned quantities have not been returned to Transporter's pipeline system at the expiration of any Agreement executed by Shipper and Transporter, Transporter and Shipper may mutually agree to an extended time frame and/or modified
terms, including the rate, of such Agreement. In the event that Shipper and Transporter are unable to come to such Agreement, Transporter shall notify Shipper, and Shipper shall nominate for removal of the parked quantities and/or return of the loaned quantities within the time frame specified in Transporter's notice, which in no instance shall be less than one (1) Day. Any parked quantity not nominated for removal within the time frame specified by Transporter's notice shall become the property of Transporter at no cost to Transporter, free and clear of any adverse claims. Any loaned quantities not nominated to be returned within the time frame specified by Transporter's notice shall be sold to Shipper at Transporter's Cashout Price at the >25% Imbalance Level for Imbalances Due Transporter, pursuant to Section 8.7(b) of the General Terms and Conditions.

Any penalty revenues received by Transporter as a result of the operation of Section 4.2 above will be credited pursuant to Section 24.1(b) of the General Terms and Conditions.

5. COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse Transporter for any separately stated fees required by the Commission or any other federal or any state regulatory body.

6. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of this Tariff are specifically incorporated into this Rate Schedule.
GENERAL TERMS AND CONDITIONS

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1. DEFINITIONS

In some instances, definitions are set forth in the Rate Schedules, General Terms and Conditions and the Forms of Service Agreements.

1.1 The term "Agreement" shall mean the agreement executed by the Shipper and Transporter and any exhibits, attachments and/or amendments thereto.

1.2 The term "Backhaul" shall mean the receipt and delivery of Gas, which is accomplished by the Transporter's delivery of Gas at point(s) which are upstream from the point(s) at which Gas is received.

1.3 The term "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions in Canada and Mexico.

1.4 The term "BTU" shall mean one (1) British thermal unit, the amount of heat required to raise the temperature of one (1) pound of water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit, (BTU is measured and reported on a dry basis at 14.73 psia and 60 degrees Fahrenheit).

1.5 The term "Cashout" shall mean the monetary settlement of quantities of Gas owed to or by Transporter or third parties, as further described in Section 8 of these General Terms and Conditions.

1.6 The term "Cashout Party" shall mean any Shipper or other contractually liable entity who has an imbalance under any Agreement, which imbalance will be resolved in accordance with Section 8 of these General Terms and Conditions.

1.7 The term "Cashout Price" shall mean the price determined pursuant to Section 8 of these General Terms and Conditions.

1.8 The term "Central Clock Time" or "CCT" shall mean Central Standard Time ("CST") except when Daylight Savings Time is in effect, when it shall mean one hour in advance of CST. All times referenced in Transporter's Tariff shall be in CCT.

1.9 The term "Commission" or "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory authority.

1.10 The term "Confirmed Price" shall mean the Transportation rate inclusive of all applicable fees and surcharges agreed upon, in writing and/or via 1Line™, by Transporter and Shipper or as otherwise required in this Tariff.
1.11 The term "Day" or “Gas Day” shall mean 9 a.m. to 9 a.m. (Central Clock Time).

1.12 The term "Dekatherm" (or "Dth") shall mean the quantity of heat energy which is equivalent to one (1) million (1,000,000) BTU; thus the term Mdth shall mean one (1) thousand (1,000) Dth. (For reference, 1 dekatherm = 1,000,000 BTUs; 1 gigajoule = 1,000,000,000 joules; and 1 gigacalorie = 1,000,000,000 calories.) For commercial purposes, the standard conversion factor between Dth and Gigajoule (the standard measure of heat energy in Canada) is 1.055056 Gigajoules per Dth; between Dth and Gigacalories (the standard measure of heat energy in Mexico), it is 0.251996 Gigacalories per Dth. The standard BTU is the International BTU, which is also called the BTU(IT); the standard joule is the joule specified in the SI system of units.

1.13 The term "Delivery Point" shall mean an interconnection point on Transporter's pipeline system that Shipper and Transporter shall agree upon, where Gas exits facilities owned by Transporter, and is metered.

1.14 The term "Delivery Point MDQ" shall mean the greatest number of Dekatherms that Transporter is obligated to deliver, on a firm basis to or on behalf of Shipper on any Day at the applicable Primary Delivery Point. The aggregate of the Delivery Point MDQs may not exceed the MDQ set forth in the Agreement; provided, however, if Shipper owns a facility that is connected to Transporter's system that is within the Primary Route and upstream of the terminus of the Primary Route reserved under the Agreement, then Shipper may, subject to the availability of capacity at such delivery point, add each such facility as a Primary Delivery Point with a Primary Delivery Point MDQ up to, but not in excess of, the MDQ of the Agreement; and provided, further, that in no event will Transporter be obligated to deliver on any Day a quantity of gas in excess of the MDQ.

1.15 The term "Delivery Point MHQ" shall mean the greatest number of Dekatherms that Transporter is obligated to deliver on a firm basis to or on behalf of Shipper for any Hour during a Day at the applicable Primary Delivery Point.

1.16 The term "Delivery Point Operator" shall mean the party that is responsible for operating the facilities that are immediately downstream of the applicable Delivery Point.

1.16A 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.
1.17 The term "Elapsed Prorated Scheduled Quantity" shall mean that portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based on the Maximum Hourly Flow Rate of the applicable FTS Agreement or 4.2% per hour if an ITS Agreement for each nomination period affected.

1.18 The term "Electronic Communication" shall mean the transmission of information via Transporter's ILine℠ system, Electronic Delivery Mechanism prescribed by NAESB or other mutually agreed communication methodologies used to transmit and receive information.

1.19 The term "Electronic Delivery Mechanism" or "EDM" shall mean the Electronic Communication methodology used to transmit and receive data related to gas transactions. Transporter and Shipper shall designate an electronic "site" at which Shippers and Transporter may exchange data electronically. All data provided at such site shall be considered as being delivered to the appropriate party. Transporter's use and implementation of EDM shall conform to all appropriate NAESB standards.

1.20 The term "Equivalent Quantities" shall mean a quantity of Gas containing an amount of Dekatherms equal to the amount of Dekatherms received by Transporter for the account of Shipper at the Receipt Point(s) reduced, where applicable, by the Dekatherms removed for Transporter's Use.

1.21 The term "Force Majeure" as used herein shall mean acts of God, strikes, lockouts, or other industrial disturbances; acts of the public enemy, terrorist attacks, vandalism, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms (including but not limited to hurricanes or hurricane warnings), crevasses, floods, washouts, arrests and restraints of the government, either Federal or State, civil or military, civil disturbances. Force Majeure shall also mean shutdowns due to power outages and/or for purposes of necessary repairs, relocation, or construction of facilities; failure of electronic data capability; breakage or accident to machinery or lines of pipe; the necessity for testing (as required by governmental authority or as deemed necessary by Transporter for the safe operation thereof), the necessity of making repairs or alterations to machinery or lines of pipe; failure of surface equipment or pipe lines; accidents, breakdowns, inability to obtain necessary materials, supplies or permits, or labor to perform or comply with any obligation or condition of service, rights of way; and any other causes, whether of the kind herein enumerated or otherwise which are not reasonably in Transporter's control. It is understood and agreed that the settlement of strikes or lockouts or controversies with landowners involving rights of way shall be entirely within Transporter's discretion and that the requirement in Section 16.1 of the General Terms and Conditions that any Force Majeure shall be remedied with all reasonable dispatch
shall not require the settlement of strikes or lockouts or controversies with
landowners involving rights of way by acceding to the demands of the opposing
party when such course is inadvisable in the discretion of Transporter.

1.22 The term "Gas" shall mean natural gas, including cap gas, casinghead gas
produced with crude oil, gas from gas wells, gas from condensate wells,
synthetic natural gas, or any mixture of these gases meeting the quality
standards under Section 3 of these General Terms and Conditions.

1.23 The term "Gas Delivered Hereunder" shall mean the quantities of Gas
allocated to Shipper by Transporter, as determined in accordance with the
provisions of Section 7 of these General Terms and Conditions.

1.24 The term "High Common" shall mean the highest price listed under the
heading "Common" in "Platts Gas Daily" "Daily Price Survey" for the
applicable day.

1.25 The term "ILineSM" shall mean Transporter's electronic communication
system, for which Transporter has contracted with a third party provider, in
accordance with Section 25 of these General Terms and Conditions, which
shall be available to any Shipper.

1.26 The term "Hour" shall mean a period of sixty consecutive minutes beginning
at the top of the hour, e.g. 9:00, or such other time mutually acceptable to
Transporter and Shipper.

1.27 The term "Imbalance Management Services" shall mean the options available
to Shippers for resolution of imbalances including the application of the
cashout mechanism set forth in Section 8 of the General Terms and
Conditions. These options include service under PALS, Imbalance Netting
and Trading and, as a final resolution, Cashout.

1.27A The term “Intraday Nomination” shall mean 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 the Gas Day.

1.28 The term "Low Common" shall mean the lowest price listed under the
heading "Common" in "Platts Gas Daily" "Daily Price Survey" for the
applicable day.

1.29 The term "Maximum Hourly Flow Rate" shall mean the percentage of MDQ
at a Primary Delivery Point that Transporter shall be obligated to deliver on
behalf of Shipper on a firm basis and shall be expressed as the quotient of the
MHQ divided by the MDQ.
1.30 The term "Maximum Daily Quantity" ("MDQ") shall mean the greatest number of Dekatherms that Transporter is obligated to transport, on a firm basis, to or on behalf of Shipper on any day.

1.31 The term "Maximum Hourly Quantity" ("MHQ") shall mean the greatest number of Dekatherms that Transporter is obligated to deliver at a Primary Delivery Point to or on behalf of Shipper, on a firm basis, for any Hour (as determined pursuant to Section 4.5 of Rate Schedule FTS).

1.31A The term "Maximum PALS Quantity" ("MPQ") shall mean the greatest number of Dekatherms that shipper may have parked or loaned under its Rate Schedule PALS Agreement at any time.

1.32 The term "Mcf" shall mean one (1) thousand (1,000) cubic feet of Gas; the term MMcf shall mean one (1) million (1,000,000) cubic feet of Gas. (Mcf is measured on a dry basis at 14.73 psia. and 60 degrees Fahrenheit.)

1.33 The term "Month" shall mean the period beginning on the first Day of a calendar Month and ending at the same hour on the first Day of the next succeeding calendar Month.

1.34 The term "Monthly Imbalance" shall mean a Shipper's monthly quantity subject to resolution through the cashout mechanism described in Section 8 of the General Terms and Conditions, calculated as the difference between (i) allocated quantities received from a Cashout Party for the Month, as determined in accordance with Section 7 of the General Terms and Conditions, adjusted for Transporter's Use, and (ii) allocated quantities delivered to a Cashout Party for the Month, as determined in accordance with Section 7.

1.35 The term "Monthly System Imbalance" shall mean the total imbalances for Transporter's system for the Month, calculated as the difference between (i) allocated quantities received for the Month, as determined in accordance with Section 7 of the General Terms and Conditions, adjusted for Transporter's Use, and (ii) allocated quantities delivered for the Month, as determined in accordance with Section 7.

1.36 The term "Negotiated Rate" shall mean a rate or rate formula for computing a rate for service under a single Agreement.

1.37 The term "Net Present Value" ("NPV") shall mean the discounted cash flow of expected revenues per Dekatherm of the applicable service for a term of up to twenty (20) years, using the interest rate set forth in Section 154.501 of the Commission's Regulations.
1.38 The term "Netting" shall be used to describe the process of resolving imbalances for a Shipper 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 Shipper or agent.

b. Offsetting is the combination of positive and negative imbalances above any applicable tolerances for a Shipper or agent.

1.39 The term "North American Energy Standards Board" or "NAESB" shall mean the accredited organization established to set standards for certain natural gas industry business practices and procedures.

1.40 The term "Operational Impact Area" shall describe a Transportation Service Provider's (as defined by the NAESB Standards) designation of the largest possible area(s) on its system in which imbalances have a similar operational impact. For Transporter, the entire pipeline system shall comprise a single Operational Impact Area.

1.41 The term "Posted Point of Restriction" shall mean any point or segment on Transporter's pipeline system for which Transporter has posted on its website a reduction of scheduled capacity notice, a notice that the point or segment is scheduled at its capacity, or a notice of expected restrictions due to weather, operating conditions or maintenance.

1.42 The term "Primary Delivery Point" shall mean the Delivery Point(s) as specified in the Agreement.

1.43 The term "Primary Receipt Point" shall mean the Receipt Point(s) as specified in the Agreement.

1.44 The term "Primary Route" shall mean the transportation route from the Primary Receipt Point to the Primary Delivery Point or if there is no Primary Delivery Point, a transportation route which includes a reservation of mainline capacity but does not have a Primary Delivery Point.

1.44A The term “Rate Default” shall mean, for index-based capacity release transactions, the non-biddable rate specified in the capacity release offer 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.

1.44B The term “Rate Floor” shall mean, for index-based capacity release transactions, the lowest rate specified in the capacity release offer in dollars
1.44C The term “Quick Response” shall mean the NAESB WGQ EDI/EDM response used to communicate validation errors/warnings to a transaction submitted via the corresponding NAESB WGQ EDI/EDM transaction.

1.45 The term "Receipt Point" shall mean an interconnection point on Transporter's pipeline system that Transporter and Shipper shall agree upon, where Gas enters facilities owned by Transporter, and is metered.

1.46 The term "Receipt Point MDQ" shall mean the greatest number of Dekatherms that Transporter is obligated to receive on a firm basis for or on behalf of Shipper on any Day at the applicable Primary Receipt Point(s). The aggregate of the Receipt Point MDQ(s) may not exceed the aggregate of the Delivery Point MDQs as set forth in Shipper's Agreement.

1.47 The term "Recourse Rate" shall mean the maximum rate for service set forth on the Statements of Rates in this Tariff for the applicable rate schedule.

1.48 The term "Receipt Point Operator" shall mean the party that is responsible for operating the facilities that are immediately upstream of the applicable Receipt Point.

1.49 The term "Reput" shall mean the reinstatement of a capacity release transaction that was recalled.

1.50 The term "Secondary Delivery Point" shall mean a Delivery Point that is not specified as a Primary Delivery Point.

1.51 The term "Secondary Receipt Point" shall mean a Receipt Point that is not specified as a Primary Receipt Point.

1.52 The term "Service Day" shall mean the Day during which Shipper receives Transportation Service pursuant to a nomination in accordance with Section 4 of the General Terms and Conditions.

1.53 The term "Service Month" shall mean the Month during which Shipper receives services under this Tariff.

1.54 The term "Shipper" shall mean any person, corporation, limited liability company, partnership or any other legal entity who enters into an Agreement for service with Transporter.
1.55 The term "Tariff" shall mean Transporter's FERC Gas Tariff as effective from time to time.

1.56 The terms "Tender Gas" and "Tender of Gas" shall mean that the delivering party is able and willing, and offers, to deliver Gas to the receiving party at the appropriate Receipt Point or Delivery Point.

1.56A The term "Title Transfer" shall mean the change of title to Gas between parties at a location.

1.56B The term "Title Transfer Tracking" shall mean the process of accounting for the progression of title changes from party to party which process does not effect a physical movement of the Gas.

1.56C The term "Title Transfer Tracking Service Provider" or "TTTSP" shall mean a party conducting Title Transfer Tracking activities.

1.57 The terms "Transportation" and "Transportation Service" shall mean transportation of Gas by either forward haul, displacement or Backhaul or any combination thereof.

1.58 The term "Transporter" shall mean Gulfstream Natural Gas System, L.L.C.

1.59 The term "Transporter's Use" shall mean the quantity of Gas required by Transporter for compressor fuel, other company use and lost-and-unaccounted for Gas for service under each Agreement, and shall be equal to the Transporter's Use (%) under each such Agreement multiplied by Receipt Point quantities Tendered to Transporter.

1.60 The term "Transporter's Use (%)" shall mean the applicable percentage of Transporter's Use, which shall be an allocable amount of Transporter's Use, as calculated pursuant to Section 23.2, provided, however, that no Transporter's Use (%) shall be assessed on Backhaul transportation. The applicable percentage is shown on the Statement of Additional Charges and Surcharges and shall be annually reetermined and filed to be made effective June 1 of each year in accordance with Section 23.2 of these General Terms and Conditions.

1.61 The "Usage-1 Rate" shall be stated on the Statement of Transportation Rates and shall be assessed as described in Section 3 of Rate Schedules FTS and ITS.

1.62 The "Usage-2 Rate" shall be stated on the Statement of Transportation Rates and shall be assessed as described in Section 3 of Rate Schedules FTS and ITS.
1.63 The term "Wire Transfer" shall mean payments made/effectected by wire transfer (Fedwire, CHIPS, or Book Entry), or Automated Clearinghouse, or any other recognized electronic or automated payment mechanism that is agreed upon by Transporter in the future.
2. MEASUREMENT AND MEASUREMENT EQUIPMENT

2.1 (a) The volume of Gas delivered at the Receipt Point(s) and at the Delivery Point(s) shall be measured by one of the following devices installed by Transporter at its election, or as agreed to by Transporter and the operator of the interconnecting facilities:

(1) An orifice meter, designed and installed in accordance with the current edition of American National Standard ANSI/API 2530 (American Gas Association Report No. 3), entitled "Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids" (hereinafter referred to as "AGA Report No. 3"); or

(2) A turbine meter, designed and installed in accordance with the current edition of American Gas Association Transmission Measurement Committee Report No. 7, entitled "Measurement of Gas by Turbine Meters", (hereinafter referred to as "AGA Report No. 7"); or

(3) An ultrasonic meter, designed and installed in accordance with the current edition of American Gas Association Transmission Measurement Committee Report No. 9, entitled "Measurement of Gas by Multipath Ultrasonic Meters" (hereinafter referred to as "AGA Report No. 9"); or

(4) A positive displacement meter, designed and installed in accordance with generally accepted industry practices.

(b) Meters shall be maintained and operated, and auxiliary measuring equipment shall be installed, maintained and operated, in accordance with generally accepted industry practices.

2.2 (a) The volume of Gas delivered at each Receipt Point and Delivery Point shall be calculated by means of an electronic flow computer located at each Receipt Point or each Delivery Point, in the following manner:

(1) The volume of Gas delivered through an orifice meter shall be computed in accordance with AGA Report No. 3, properly using all factors set forth therein.

(2) The volume of Gas delivered through a turbine meter shall be computed in accordance with AGA Report No. 7, properly using all factors set forth therein.
(3) The volume of Gas delivered through an ultrasonic meter shall be computed in accordance with AGA Report No. 9, properly using all factors set forth therein.

(4) The volume of Gas delivered through a positive displacement meter shall be computed by properly applying, to the volume delivered at flowing Gas pressures and temperatures, correction factors for (i) absolute static pressure, (ii) flowing Gas temperature, and (iii) compressibility ratio.

(b) The volume of Gas delivered shall be computed using the standards and factors determined as follows:

(1) The unit of volume for the purpose of measurement shall be one thousand cubic feet of Gas at a temperature of sixty (60) degrees Fahrenheit and a pressure of 14.73 pounds per square inch absolute. For the purpose of pricing hereunder, the Dekatherm equivalent of such unit of volume shall be determined by multiplying each such unit of volume by the total heating value per cubic foot of the Gas delivered hereunder (adjusted to a common temperature and pressure base) and by dividing the result by one thousand (1000).

(2) The average absolute atmospheric (barometric) pressure at each Receipt Point and each Delivery Point shall be assumed to be 14.7, irrespective of the actual location or elevation above sea level of the Receipt Point or Delivery Point or of variations in actual atmospheric pressure from time to time.

(3) The static pressure and temperature of the Gas at flowing conditions through a meter and, where applicable, the differential pressure across the orifice plate of an orifice meter shall be determined by means of instruments of standard manufacture accepted in the industry for these purposes.

(4) The supercompressibility factor used in computing the volume of Gas delivered through an orifice meter shall be determined using the procedures presented in American Gas Association Transmission Measurement Committee Report No. 8, entitled "Compressibility Factors of Natural Gas and Other Related Hydrocarbon Gases."

(5) The specific gravity of the Gas used in computing the volume of Gas delivered through a meter shall be determined at each
Receipt Point and at strategic locations determined by Transporter to be representative for each Delivery Point by standard methods accepted in the industry for this purpose.

(6) The compressibility ratio factor "s" used in computing the volume of Gas delivered through a turbine meter, an ultrasonic meter, or a positive displacement meter shall be determined by the equation \( s = (F_{pv})^2 \), in which "F_{pv}" is the supercompressibility factor determined as described in subparagraph (4) of this subsection (b).

2.3 All flow measuring, testing and related equipment shall be of standard manufacture and type approved by Transporter. If applicable, Transporter or Shipper may install check measuring equipment and telemetering equipment, provided that such equipment shall be so installed as not to interfere with the operations of the operator. Transporter, or Shipper, in the presence of the other party, shall have access to measuring equipment at all reasonable times, but the reading, calibrating, and adjusting thereof shall be done by the operator of the facilities. Transporter or Shipper shall have the right to be present at the time of the installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating or adjusting done by the operator of the measuring equipment. The records from such measuring equipment shall remain the property of the operator, but upon request the other party may request records including charts, together with calculations therefrom for inspection, subject to return within thirty (30) days after receipt thereof. Reasonable care shall be exercised in the installation, maintenance and operation of the measuring equipment so as to avoid any inaccuracy in the determination of the volume of Gas received and delivered.

The accuracy of all measuring equipment shall be verified by operator at least once each year and if requested, in the presence of representatives of the other party, but neither Transporter nor Shipper shall be required to verify the accuracy of such equipment more frequently than once in any thirty (30) Day period. If the operator agrees to verification and test of measuring equipment and fails to perform such verification and testing, then the other party shall have the right to cease or temporarily discontinue service relative to such measuring equipment. If either party at any time desires a special test of any 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. Transportation and related expenses involved in the testing of meters shall be borne by the party incurring such expenses, provided, however, that Shipper shall not be responsible for such Transportation and related expenses if the special testing reveals that the meter(s) is (are) not operating within the required tolerance level of one percent (1%).
The operator, for purposes of this section, shall be the owner of the equipment referenced herein, or the agent of such owner, or such other person as the parties may agree in writing.

If, upon any test, any measuring equipment is found to be in error, such errors shall be taken into account in a practical manner in computing the deliveries. If the resultant aggregate error in the computed receipts or deliveries is not more than one percent (1%), then previous receipts or deliveries shall be considered accurate. All equipment shall, in any case, be adjusted at the time of test to record correctly. If, however, the resultant aggregate error in computing receipts or deliveries exceeds one percent (1%), the previous recordings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of the last test.

2.4 In the event any measuring equipment is out of service, or is found registering inaccurately and the error is not determinable by test, previous recordings of receipts or deliveries through such equipment shall be determined as follows; provided, however, that the correction period shall be within six (6) Months of the production Month, with a three (3) Month rebuttal period and provided, further, that such standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard:

(a) by using the registration of any check meter or meters if installed and accurately registering, or in the absence of (a);

(b) by correcting the error if the percentage of error is ascertainable by calibration, special test or mathematical calculation, or in the absence of both (a) and (b) then;

(c) by estimating the quantity of receipt or delivery based on receipts or deliveries during preceding periods under similar conditions when the meter was registering accurately.

2.5 If at any time during the term hereof, a new method or technique is developed with respect to Gas measurement or the determination of the factors used in such Gas measurement, such new method or technique may be substituted upon mutual agreement thereto by both parties.

2.6 The parties agree to preserve for a period of at least three (3) years or such longer period as may be required by public authority, all test data, if any, and other similar records.
2.7 Shipper or Transporter may install, maintain, and operate odorizing (at a Delivery Point only), regulating, telemetering, heating and fogging equipment at its own expense as it shall desire at each Receipt Point or Delivery Point, and the operator of such equipment at its own expense shall provide the other party a suitable site therefore and allow the other party free access to and use of the site; provided that such equipment shall be so installed, maintained and operated as not to interfere with the operation or maintenance of the operating party's measuring equipment at each Receipt Point or Delivery Point. All such equipment as Shipper or Transporter shall desire to install shall be constructed, installed and operated to conform to the other party's requirements.
3. QUALITY

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

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

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

(a) shall be commercially free from dust or other solid or liquid matter which might interfere with its merchantability or cause injury to or interference with proper operation of the lines, regulators, meters and other equipment of Transporter;

(b) shall not contain more than four (4) parts per million (one quarter grain per one hundred (100) cubic feet of Gas) of hydrogen sulfide, as determined by the method prescribed in the Gas Processors Association Standard 2377, entitled "Test for Hydrogen Sulfide and Carbon Dioxide in Natural Gas Using Length of Stain Tubes";

(c) shall not contain more than ten (10) grains of total sulfur (including the sulfur in any hydrogen sulfide and mercaptans) per one hundred (100) cubic feet of Gas;

(d) shall not at any time have an oxygen content in excess of 0.25% by volume and the parties hereto shall make every reasonable effort to keep the Gas free of oxygen;

(e) shall not contain as nearly as practicable any free water nor contain more than seven (7) pounds of water vapor per million cubic feet of Gas;

(f) shall not contain more than three percent (3%) by volume of nitrogen and carbon dioxide combined;
shall be delivered at a temperature not in excess of one hundred twenty (120) degrees Fahrenheit or less than forty (40) degrees Fahrenheit; and

shall not contain any toxic, hazardous materials or substances, or any deleterious material potentially harmful to persons or to the environment, including but not limited to, polychlorinated biphenyls and substances requiring investigation, remediation or removal under any law, regulation, rule or order in effect from time to time.

shall not contain more than eighteen one-hundredths (0.18) parts per million by volume (two one-hundredths (0.02) grains per one hundred (100) cubic feet of Gas (by weight) of carbonyl sulfide, as determined by the method prescribed in the American Society for Testing & Materials Standard D-5623, entitled "Standard Test Method for Sulfur Compounds in Light Petroleum Liquids by Gas Chromatography and Sulfur Selective Detection.

3.3 Failure to Meet Specifications. Should any Gas tendered for delivery hereunder fail at any time to conform to any of the specifications of this Section 3 ("Non-Conforming Gas"), the Transporter shall notify the party tendering such Gas of any such failure and Transporter may at its option suspend all or a portion of the receipt of any such Non-Conforming Gas, and shall be relieved of obligations hereunder for the duration of such time as the Non-Conforming Gas does not meet such specifications. Nothing in this Section 3 shall prevent Transporter from waiving any quality specifications where the acceptance of Non-Conforming Gas will not in the reasonable judgement of Transporter adversely impair its operation. The exclusive remedy of the affected party shall be liquidated damages not to exceed the greater of (a) ten dollars ($10.00), or (b) two times the Spot Price Index (as defined in Section 8.7 of these General Terms and Conditions), for each Dekatherm of such Non-Conforming Gas.

3.4 The design and construction of any facilities to be installed by Shipper in order to comply with the quality specifications in Sections 3.1 and 3.2 shall be approved by Transporter prior to such facilities being placed in service, such approval not to be unreasonably withheld.

3.5 Commingling. It is recognized that Gas delivered by Shipper will be commingled with other Gas transported hereunder by Transporter. Accordingly, the Gas of Shipper shall be subject to such changes in heat content as may result from such commingling and Transporter shall, notwithstanding any other provision herein, be under no obligation to redeliver for Shipper's account, Gas of a heat content identical to that caused to be delivered by Shipper to Transporter.
4. NOMINATIONS

4.1 Transporter shall accept nominations twenty-four (24) hours a day via 1LineSM or EDM. All nominations must contain the mandatory data elements included in the NAESB standards and any additional business-conditional or mutually agreeable data elements. All nominations shall include Shipper defined begin dates and end dates. All nominations excluding Intraday Nominations shall have roll-over options. Specifically, Shippers shall have the ability to nominate for several Days, Months, or years, provided the nomination begin and end dates are within the term of the Shipper's Agreement. Nominations under Rate Schedule FTS must be for a minimum period of one (1) Day, and all quantities must be stated in Dths. Nominations under Rates Schedule ITS or PALS must specify the daily scheduled quantity, and the hours during the Day in which Gas will flow. The minimum period in which Gas will flow is (1) one Hour, and all quantities must be stated in Dekatherms. At the end of each Gas Day, Transporter will provide the final scheduled quantities for the just completed Gas Day. With respect to the implementation of this process via EDI/EDM, Transporter shall send an end of Gas Day Scheduled Quantity (NAESB WGQ Standard No. 1.4.5) and Scheduled Quantity for Operator (NAESB WGQ Standard No. 1.4.6.). A receiver of either of these documents can waive Transporter’s requirement to send such documents.

(a) All nominations must be communicated via 1LineSM or EDM unless otherwise mutually agreed and must be submitted in accordance with the standard nomination timelines set forth below unless accepted by Transporter at a later time. A revised nomination supersedes the previous nomination in effect, but only for the Days or Hours specified in such revised nomination, after which the previous nomination once again takes effect until its end date or time or until superseded by another new or revised nomination, whichever is earlier.

The standard nomination cycles are as follows (all times are CCT pursuant to NAESB WGQ Standard No. 0.3.17):

(1) The Timely Nomination Cycle
On the day prior to Gas flow:

1:00 p.m. Nominations leave control of the Shipper;

1:15 p.m. Nominations are received by the Transporter (including from Title Transfer Tracking Service Providers (TTTSPs));
4. Nominations

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1:30 p.m. Transporter sends the Quick Response to the Shipper;

4:30 p.m. Transporter receives completed confirmations from confirming parties;

5:00 p.m. Shippers and point operators receive scheduled quantities from the Transporter.

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

(2) The Evening Nomination Cycle
On the day prior to Gas flow:

6:00 p.m. Nominations leave control of the Shipper;

6:15 p.m. Nominations are received by the Transporter (including from TTTSPs);

6:30 p.m. Transporter sends the Quick Response to the Shipper;

8:30 p.m. Transporter receives completed confirmations from confirming parties;

9:00 p.m. Transporter provides scheduled quantities to the affected Shippers 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.

(3) The Intraday 1 Nomination Cycle
On the current Gas Day:

10:00 a.m. Nominations leave control of the Shipper;

10:15 a.m. Nominations are received by the Transporter (including from TTTSPs);

10:30 a.m. Transporter sends the Quick Response to the Shipper;
12:30 p.m. Transporter receives completed confirmations from confirming parties;

1:00 p.m. Transporter provides scheduled quantities to the affected Shippers 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.

(4) The Intraday 2 Nomination Cycle
On the current Gas Day:

2:30 p.m. Nominations leave control of the Shipper;

2:45 p.m. Nominations are received by the Transporter (including from TTTSPs);

3:00 p.m. Transporter sends the Quick Response to the Shipper;

5:00 p.m. Transporter receives completed confirmations from confirming parties;

5:30 p.m. Transporter provides scheduled quantities to the affected Shippers 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.

(5) The Intraday 3 Nomination Cycle
On the current Gas Day:

7:00 p.m. Nominations leave control of the Shipper;

7:15 p.m. Nominations are received by the Transporter (including from TTTSPs);

7:30 p.m. Transporter sends the Quick Response to the Shipper;

9:30 p.m. Transporter receives completed confirmations from confirming parties;
10:00 p.m. Transporter provides scheduled quantities to the affected Shippers and point operators.

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

For purposes of Sections 4.1(a)(2), 4.1(a)(3), 4.1(a)(4) and 4.1(a)(5) above, "provide" 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.

(b) Shipper shall include in its nominations the desired order of priority of receipts and deliveries under each Agreement which Transporter will use when taking action to change receipts and/or deliveries according to Section 5.2. The order of priority shall indicate that a priority of one (1) shall be the last to be affected by changes. Nominations with the same priority will be adjusted pro rata.

(c) If Shipper completes and resubmits an otherwise incomplete nomination, then Transporter will process the nomination in the first nomination cycle that occurs where the Shipper's complete nomination meets the deadline for nominations.

(d) Variations by Shipper of actual receipts and deliveries from the nominated receipts and deliveries shall be kept to a minimum. Receipts and deliveries shall be made at uniform hourly rates unless provisions to deliver the Gas at a non-uniform rate are made pursuant to Shipper's Agreement and confirmed by Transporter's Gas Control Department prior to Gas flowing. Under no circumstances shall Transporter be obligated to deliver to any Shipper, on any Day, a quantity of Gas under any Agreement greater than Transporter received at the Receipt Point(s) on behalf of such Shipper under such Agreement.

(e) Any shipper may designate an agent, which may be Transporter, to nominate and schedule transportation service on Shipper's behalf. Shipper shall notify Transporter, in writing or via 1LineSM, of the designated agent. Transporter is authorized to rely on nominations and scheduling information provided by Shipper's agent. By designating an agent, Shipper agrees to indemnify and save Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising in any way from Shipper's agent's actions on behalf of Shipper, Shipper's agent's failure to act on behalf of Shipper, or Transporter's reliance upon the information provided to Transporter by Shipper's agent;
provided, however that such indemnification will not excuse Transporter from liability for actions taken when Transporter is acting as agent.

(f) Transporter accepts nominations twenty-four (24) hours a day. Any nomination submitted at a time that varies from the standard nomination timelines set forth above will be processed provided (i) such nomination is confirmed with upstream and downstream point operators and (ii) it is feasible for Transporter to implement such nomination.

4.2 Implementation of Intraday Nominations.

(a) Subject to the deadlines in Section 4.1(a)(2),(3),(4) or (5), above, Intraday Nominations may be nominated twenty-four (24) hours a Day and will be processed in the same manner as other nominations. However, the nomination deadline and effective time of Intraday Nominations specified in Section 4.1 (a) will not apply to OFO related Intraday Nominations.

(b) Subject to upstream and downstream operators' confirmations and Transporter's operating conditions, an Intraday Nomination submitted pursuant to one of the deadlines set forth in Section 4.1(a) above can be used to request increases or decreases in total flow, changes to Receipt Points, or changes to Delivery Points of scheduled Gas. Transporter will not accept a reduced Intraday Nomination for any quantity deemed already delivered based on the Elapsed Prorated Scheduled Quantity mechanism unless Transporter and each applicable upstream and downstream point operator otherwise agree, and if it does not cause an adverse operating condition for Transporter.

(c) Transporter shall allow Shipper to alter the order of priority of receipts and deliveries upon which Transporter shall rely in taking actions to adjust receipts and/or deliveries under Section 4.1 above, provided that such changes are submitted via 1LineSM or EDM in accordance with the nomination deadlines set forth in 4.1(a), above.

(d) Notice. For purposes of providing notice of any nomination changes (including where an interruptible Shipper's nomination is bumped by a firm Shipper's Intraday Nomination) to a Shipper and/or Shipper's agent, Transporter shall use Electronic Communication.

(e) Transporter accepts nominations twenty-four (24) hours a day. Any nomination submitted at a time that varies from the standard nomination timelines set forth in Section 4.1(a) will be processed provided (i) such nomination is confirmed with upstream and downstream point operators and (ii) it is feasible for Transporter to implement such nomination.
5. PRIORITY OF SERVICE

5.1 Transporter shall have the right to curtail or discontinue services, in whole or in part, on all or a portion of its system at any time for reasons of Force Majeure or when capacity or operating conditions so require, or it is necessary to make modifications, repairs or operating changes to its system. Transporter shall provide Shipper such notice of such curtailment as is reasonable under the circumstances. Notwithstanding anything to the contrary contained in this Section 5.1, Transporter will schedule routine repairs and maintenance in a manner that to the greatest extent possible will not disrupt the flow of quantities scheduled and confirmed in accordance with Section 4 of the General Terms and Conditions.

5.2 For each nomination cycle, Transporter shall allocate capacity on the basis of nominations made by Shippers, utilizing the priorities of service, from highest to lowest, as set forth below:

(a) Priority Class One. Rate Schedule FTS Primary Receipt Point(s) and Primary Delivery Point(s) within MDQ and within MHQ.

(b) Priority Class Two. Rate Schedule FTS. Secondary Receipt or Delivery Point(s) within MDQ and within MHQ within the Primary Route.

(c) Priority Class Three. Rate Schedule FTS. Secondary Receipt Point(s) or Delivery Points(s) within MDQ and within MHQ outside the Primary Route.

(d) Priority Class Four. Rate Schedule ITS, Rate Schedule PALS.

(e) Priority Class Five. Interruptible hourly flow quantities pursuant to Section 14 of the General Terms and Conditions.

(f) Priority Class Six. Make-up Gas scheduled at Transporter's discretion.

For purposes of determining whether points are within the Primary Route, a transaction from a Receipt Point to a Delivery Point which is counter to the Gas flow contemplated by the Primary Receipt Point and Primary Delivery Point shall be considered as being outside the Primary Route.
6. SCHEDULING AND CURTAILMENT

6.1 Scheduling Capacity during a Start of Day Nomination Cycle.

(a) Transporter shall allocate its pipeline capacity as well as each Receipt Point and each Delivery Point capacity on the basis of the priority classes listed in Section 5 above as follows:

(i) prorata for Priority Class One nominations; then
(ii) prorata for Priority Class Two; then
(iii) prorata for Priority Class Three; then
(iv) on the basis of Confirmed Price for Priority Class Four; then
(v) make-up gas for FTS Agreements, then make-up gas for ITS Agreements.

(b) Ties within any Priority Class shall be allocated pro rata based on nominations.

6.2 Scheduling Available Capacity during an Intraday Nomination Cycle. Transporter shall schedule available capacity during each of the Intraday Nomination Cycles in accordance with Section 6.1 above. Bumping of service is not allowed during the Intraday 3 Nomination Cycle which is effective at 10:00 p.m. on the same service Day and all cycles thereafter for the remainder of the Day.

6.3 Curtailment of Scheduled Volumes during a Day. If, at any time, Transporter determines that the capacity of its system, or portion(s) thereof, is insufficient to serve all scheduled service, or to accept the quantities of Gas tendered, capacity which requires curtailment shall be curtailed so as to provide the service which is feasible in the order prescribed for Scheduling in Section 6.1 above; provided, however, once scheduled Priority Class Two and Priority Class Three will have the same curtailment priority as Priority Class One; and provided, further, if the capacity constraint occurs on the upstream or downstream system which results in curtailment, the upstream or downstream operator shall determine the change in scheduled nominations of its Shippers. Such change in scheduled nominations shall be confirmed via 1Line™ or EDM. To enable prompt action in an emergency situation where capacity is insufficient, Transporter shall have the authority to take all necessary and appropriate actions, as then may appear necessary, to preserve the operational integrity of its system. Transporter shall notify Shippers of the existence of any such emergency situation by use of Electronic Communication, as soon as it is reasonably practicable.
6.4 Segmentation of Capacity by Nomination. Any Shipper receiving Transportation Service under Rate Schedule FTS shall have the right to segment its firm capacity by utilizing multiple Receipt Points and Delivery Points. The right to segment is subject to the requirement that a Shipper's firm capacity utilization pursuant to its Rate Schedule FTS Agreement and, if such Agreement is the result of capacity release, the firm capacity utilization of all other Shippers of capacity rights derived from the initial Rate Schedule FTS Agreement, does not exceed, in the aggregate (based on all relevant Shipper firm capacity utilization), the contract entitlements of the initial Rate Schedule FTS Agreement in any segment or at any point (including, without limitation, the relevant MDQ and/or MHQ) where the nominated segments overlap. For the purpose of determining whether there is an overlap of MDQ and/or MHQ, a forward haul and a Backhaul nominated to the same Delivery Point at the same time shall not be deemed to be an overlap at that point. For the purpose of determining whether there is an overlap of MDQ on a segment, a forward haul and a Backhaul nominated on the same segment at the same time shall not be deemed to be an overlap on the segment. As a general matter, a Shipper desiring to segment will have the right to utilize its Primary Receipt Point(s) and Primary Delivery Point(s), as well as all Secondary Receipt Points and all Secondary Delivery Points, so long as such use does not impair Transporter's ability to render firm Transportation Service, does not adversely affect Shippers' firm Transportation Service rights, and/or does not adversely affect the safe and reliable operation of Transporter's pipeline system.

6.5 Segmentation of Capacity by Capacity Release. Releasing Shippers can also segment capacity through capacity release in accordance with Section 26 of the General Terms and Conditions of Transporter's Tariff, subject to the requirement that the release (or multiple releases) does not increase the total contract entitlements in any segment or at any point (including, without limitation, the relevant MDQ and/or MHQ) above the contract entitlement of the initial Rate Schedule FTS Agreement. For the purpose of determining whether there is an overlap of MDQ and/or MHQ, a forward haul and a Backhaul nominated to the same Delivery Point at the same time shall not be deemed to be an overlap at that point. As a general matter, a Shipper (whether such Shipper is a Releasing Shipper or Replacement Shipper) will have the right to utilize the relevant Primary Receipt Point(s) and Primary Delivery Point(s), as well as all Secondary Receipt Points and all Secondary Delivery Points located within the portion of Transporter's system on which Shipper has the right to Transportation Service, so long as such use does not impair Transporter's ability to render firm Transportation Service, does not adversely affect Shippers' firm Transportation Service rights, does not adversely affect the safe and reliable operation of Transporter's pipeline system, direction of the Primary Route on such segment and/or does not result in quantities being nominated in any manner that is inconsistent with Section 26.1(a) of these General Terms and Conditions.
7. DETERMINATION OF DAILY ALLOCATED RECEIPTS AND DELIVERIES

7.1 Allocation of Receipts/Deliveries. Unless an OBA is in effect, or unless Transporter and Operator mutually agree to allocate deliveries each Day using ranked, pro rata, percentage, swing or operator provided value methodologies, such deliveries will be allocated through the meter pro rata, to the extent applicable, based on confirmed nominations.

Operator shall notify Transporter via 1LineSM after or during confirmation and before the end of the Service Day, that it desires to establish allocation priorities at Receipt and/or Delivery Points using any of the following methodologies: ranked, pro rata, percentage, swing or Operator provided value provided, however, Transporter will not be required to agree to any of such allocation methodologies if they are operationally or administratively infeasible.

Transporter shall advise such Operator of the confirmed nominations at such Receipt/Delivery Point.

The Operator shall establish an allocation priority for over and under production at the level of detail that the confirmed nominations are provided, and advise Transporter of such priorities via 1LineSM before the end of the Day. Any confirmed nominations that do not have established allocation priorities shall be considered as having the highest priority:

In the case of under production, such allocation priorities shall be used by Transporter to allocate Gas, such that Transporter shall allocate Gas to each Shipper, in order of priority designated by the Operator, up to the full nomination of that Shipper, until the entire gross measured volume at such Receipt/Delivery Point is allocated.

In the case of over production, such allocation priorities shall be used by Transporter to allocate Gas, such that Transporter shall allocate Gas to each Shipper, in order of priority designated by the Operator, equal to the full nomination of that Shipper, with any over produced quantities being allocated to the Shipper(s) with the lowest priority, until the entire gross measured volume at such Receipt/Delivery Point is allocated.

Simultaneous Receipts and Deliveries. To the extent that both receipts and deliveries have been nominated at the same meter for any day:

If the actual flow through the meter represents a delivery by Transporter, then the nominated receipts shall be allocated as nominated and the sum of such receipts shall be added to the metered quantity before any allocation is made in accordance with Section 7.1; or
If the actual flow through the meter represents a receipt by Transporter, then the nominated deliveries shall be allocated as nominated and the sum of such deliveries shall be added to the metered quantity before any allocation is made in accordance with Section 7.1.

7.2 Prior Period Adjustments.

In accordance with the provisions of Sections 2 and 11 of these General Terms and Conditions, Transporter shall use the best information available to close its allocation of quantities for a Service Month five (5) Business Days after such Service Month. To the extent that adjustments are made after the date of such close, such adjustments ("Prior Period Adjustments" or "PPA") shall be treated under this Section 7.2. If the PPA is due to the correction of measurement data or allocations, such adjustments shall be processed within six (6) Months of the applicable Service Month. If the affected party disputes the as-adjusted quantity, it is entitled to rebut the basis for the PPA, but only if it does so within three (3) Months of the processing of the PPA. Notwithstanding the above-specified deadlines for processing/rebutting PPAs, such deadlines shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not 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.

In addition, for a period of up to six (6) months after the end of the applicable Service Month, Transporter will accept an adjustment for a scheduled nomination and/or allocation methodology provided that the requested change (i) is agreed upon in writing (including email) by all affected upstream and/or downstream parties and Transporter, and (ii) does not impact Transporter in a detrimental manner.

7.3 Trespass Gas. Gas that is received by Transporter during a Service Month at a Receipt Point for which there is no valid nomination shall be considered Trespass Gas. If Transporter receives Trespass Gas during a Service Month, it shall post such fact on 1LineSM, including the location and quantity of such Trespass Gas, for a period of thirty (30) Days after the end of the Service Month. The owner of such Trespass Gas may claim such Gas by informing Transporter in writing of such fact and by having the ownership verified by the Operator of the facilities upstream of the Receipt Point. Upon receiving a valid claim of ownership, Transporter shall first give the claimant the opportunity to move the Gas off of Transporter's system upon payment of the applicable Transportation charges and PALS. Alternatively, the claimant may request payment of an amount (as full consideration, inclusive of taxes and any other amounts) equal to the product of the quantity of Trespass Gas times the Low Common price (as
determined pursuant to Section 8.7 of the General Terms and Conditions) for the Month on which the gas is received, for the Service Month in which the Trespass Gas was received. If there is no valid claim for such Trespass Gas within such thirty (30) day posting period, Transporter shall be allowed to retain such Trespass Gas.

7.4 Conversion of Gas. Any party that takes Gas without Transporter's authorization shall be liable for paying the High Common price (as determined pursuant to Section 8.7 of the General Terms and Conditions) for the Month in which the Gas was taken, in addition to any other costs, losses, and damages attributable to such taking, in addition to any legal remedies otherwise available.

Any penalty revenues received by Transporter as a result of the operation of Sections 7.3 and 7.4 above will be credited pursuant to Sections 24.2 and 24.3 of the General Terms and Conditions.
8. IMBALANCE RESOLUTION PROCEDURES

8.1 For the purposes of this Section 8, "Receipt" or "Receipts" shall mean quantities of Gas allocated pursuant to Section 7 of these General Terms and Conditions, net of Transporter's Use, and "Delivery" or "Deliveries" shall mean quantities of Gas allocated pursuant to Section 7. After the end of each Service Month, Transporter shall render to Cashout Party a statement detailing any imbalance between Monthly Receipts and Monthly Deliveries under all of Cashout Party's Transportation Agreements ("Imbalance Statement"), subject to Transporter's Billing and Payment provisions contained in Sections 9 and 10 of these General Terms and Conditions.

8.2 Cumulative Daily Transportation Imbalances shall be subject to the following imbalance resolution procedures.

(a) Definition of Transportation Imbalance: "Transportation Imbalance" shall mean the difference between a Shipper's allocated Receipts and allocated Deliveries under any firm or interruptible Agreement. All imbalances will be calculated on a daily basis and designated to be at the applicable Delivery Point.

(b) Definition of an Imbalance Due Cashout Party: "Due Cashout Party" shall mean that Deliveries under an Agreement at the Delivery Point are less than Receipts at the Receipt Point, adjusted for Transporter's Use; such difference in quantity is "Due To" a Cashout Party (or its Agent).

(c) Definition of an Imbalance Due Transporter: "Due Transporter" shall mean that Deliveries under an Agreement at the Delivery Point exceed Receipts at the Receipt Point, adjusted for Transporter's Use; such difference in quantity is "Due From" a Cashout Party (or its Agent).

8.3 Netting: For each Month, all cumulative Transportation Imbalances within an Operational Impact Area will be netted among each of Cashout Party's firm and interruptible Agreements. For those points that are bi-directional, the net direction of the quantities transported for a Cashout Party will determine whether the point will be identified for that Cashout Party as a Receipt or Delivery Point each Month.

8.4 Trading: Posting and trading of the previous Month's netted Transportation Imbalances will be allowed within each Operational Impact Area between imbalance agents (or the Cashout Party, if no imbalance agent exists) from the first calendar Day of the current Month until the end of the 17th Business Day of the current Month. Imbalances to be posted for trading should be authorized by the Cashout Party. An authorization to post imbalances (pursuant to NAESB
WGQ Standard No. 2.4.9) that is received by Transporter by 11:45 a.m. should be effective by 8:00 a.m. the next Business Day. An imbalance that is previously authorized for posting should be posted on or before the ninth Business Day of the month. Transporter should provide the ability to view and, upon request, download posted imbalances. Transporter should not be required to post zero imbalances. When trading imbalances, a quantity should be specified. Trading will be allowed only when (i) imbalances are within the same Operational Impact Area and (ii) the resulting trade will reduce the imbalances for each Cashout Party or its imbalance agent. Transporter shall allow Cashout Parties to trade imbalances with other Cashout Parties within the same Operational Impact Area if the two Cashout Parties’ imbalances are offsetting balances such that the net imbalance for each Cashout Party after the completion of the trade would be reduced to a quantity closer to zero. A Cashout Party may trade any imbalance with another Cashout Party, provided that the trade shall not result in a transportation path which crosses a Posted Point of Restriction; provided further that to the extent the imbalances were incurred during the remainder of the month when no posted point of restriction was in effect, those imbalances are available for trading.

Transporter shall enable the imbalance trading process by providing the ability for (i) the Shipper to authorize the posting of imbalances (pursuant to NAESB WGQ Standard No. 2.4.9) on Transporter’s 1LineSM System; (ii) a party to view the posted imbalances (pursuant to NAESB WGQ Standard No. 2.4.10) on Transporter’s 1LineSM System; (iii) the initiating trader to submit a request to Transporter for an imbalance trade (pursuant to NAESB WGQ Standard No. 2.4.11) on Transporter’s 1LineSM System; (iv) Transporter, 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 Transporter’s 1LineSM System; (vi) Transporter to, optionally, request that the confirming trader to confirm the request for an imbalance trade; (vii) the confirming trader to confirm the request for an imbalance trade on Transporter’s 1LineSM System; (viii) Transporter to provide the initiating trader and the confirming trader with with the status of the requested imbalance trade no later than 12:00pm (Noon) on the next Business Day, including, if applicable, an explanation when the trade quantity is not equal to the trade quantity requested; (ix) Transporter to effectuate the confirmed trade; and (x) Transporter to reflect the trade prior to or on the next monthly Shipper imbalance or cashout statement.

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 Transporter.

Issued on: February 1, 2016
Effective on: April 1, 2016
8.5 Final Resolution of Transportation Imbalances: If Cashout Party has a Transportation Imbalance remaining after the close of the trading period, such Transportation Imbalance will be cashed out in accordance with the cashout provisions set forth in Section 8 herein.

8.6 All balancing shall be based on the applicable Delivery Point within an Operational Impact Area. Cashout Party or its Agent(s) may nominate transactions (in accordance with Section 4 of the General Terms and Conditions) during the Month to correct Transportation Imbalances within an Operational Impact Area. Transporter's ability to receive or deliver imbalance quantities shall be dependent upon Transporter's physical operations, and Transporter is under no obligation to allow Receipt or Delivery of such quantities for resolution of Transportation Imbalances if it determines, such activity would jeopardize pipeline operations.

8.7 Cashout Provision. At the time Transporter tenders an invoice(s) to Cashout Party for Transportation Service during the previous Month, Transporter shall invoice Cashout Party, or credit Cashout Party's invoice, as appropriate, to resolve in cash any net monthly Imbalance remaining between actual Receipts, adjusted for Transporter's Use, and actual Deliveries after the period during which the relevant Transportation Imbalance quantities have been subjected to the imbalance resolution mechanisms set forth in this Section 8. Transporter will send with each invoice a statement detailing the unresolved imbalance amount and detailing the amount due in accordance with the following calculations.

(a) Cashout Price. The Cashout Price shall be determined on a daily and monthly basis. The cashout High Common price shall be determined by use of the highest daily price for the Month and the first seven Days of the subsequent Month as published in Platts Gas Daily "Daily Price Survey" postings for Common prices for "Florida Gates via FGT". The cashout Low Common price shall be determined by use of the lowest daily price for the Month and the first seven Days of the subsequent month as published in Platts Gas Daily "Daily Price Survey" postings for Common prices for "Florida Gates via FGT". The average Midpoint price shall be determined by the arithmetical average of Platts Gas Daily "Daily Price Survey" "Midpoint" price for "Florida Gates via FGT" for the month and the first seven days of the subsequent month. The daily index prices will be posted on 1LineSM. All references to "Cashout Price" in these General Terms and Conditions refer to the "Midpoint" price only if the context so requires.

Cessation of Publications. If on any Day, the reported prices referenced above are not published, Transporter shall determine the Florida city gate spot price using another similar publication selected by Transporter, in its
reasonable judgement, that is broadly published and widely accepted within the natural gas industry as a reliable source for the quotation of Gas prices.

(b) Imbalance Due Transporter. In the event a monthly imbalance is an Imbalance Due Transporter, Transporter shall charge Cashout Party for such excess Deliveries plus an allowance for fuel calculated by multiplying such excess Deliveries by the applicable Transporter's Use %. If a Cashout Party's monthly imbalance is in the opposite direction from the Monthly System Imbalance or is less than or equal to 5%, the monthly cashout bill will be based on the average Midpoint price contemplated in Section 8.7(a). The Monthly System Imbalance will be calculated at the same time the initial cashout bill for that Month is generated. If a Cashout Party's Monthly Imbalance is greater than 5% and is in the same direction as the Monthly System Imbalance, the monthly cashout bill will be based on the accumulated sum of the results of the formulas listed below such that, and until, the total Monthly Imbalance is fully accounted for:

<table>
<thead>
<tr>
<th>Imbalance Level</th>
<th>Factor</th>
<th>Applicable Cashout Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% - = &lt;5%</td>
<td>1.00</td>
<td>average Midpoint</td>
</tr>
<tr>
<td>&gt; 5% - = &lt;10%</td>
<td>1.10</td>
<td>(High Common x quantity &gt; 5%) + level above</td>
</tr>
<tr>
<td>&gt;10% - = &lt;15%</td>
<td>1.20</td>
<td>(High Common x quantity &gt;10%) + levels above</td>
</tr>
<tr>
<td>&gt;15% - = &lt;20%</td>
<td>1.30</td>
<td>(High Common x quantity &gt;15%) + levels above</td>
</tr>
<tr>
<td>&gt;20% - = &lt;25%</td>
<td>1.40</td>
<td>(High Common x quantity &gt;20%) + levels above</td>
</tr>
<tr>
<td>&gt;25%</td>
<td>1.50</td>
<td>(High Common x quantity &gt;25%) + levels above</td>
</tr>
</tbody>
</table>

For purposes of determining the appropriate cashout Factor, Cashout Party's imbalance level shall be determined by taking the lower of (a) the level of imbalance supplied pursuant to Section 25.2, or (b) the imbalance computed by comparing (i) the Deliveries at the Delivery Point and (ii) the Receipts at the Receipt Point and by dividing the amount of the excess Deliveries by the Receipts less the Transporter's Use. For OBA imbalances that are resolved pursuant to this Section 8, the calculation of cashout charges relating to excess Deliveries shall also include a Transportation imbalance charge, which shall be calculated by multiplying the excess Delivery quantity by the actual weighted average of all applicable Usage Rates owed on all quantities of Gas delivered during the Month to that OBA Party.

(c) Imbalance Due Cashout Party. In the event of a Monthly Imbalance which is an Imbalance Due Cashout Party, Transporter shall make a cashout payment to Cashout Party reflecting such excess Receipts. If a
Cashout Party's Monthly Imbalance is in the opposite direction from the Monthly System Imbalance or is less than or equal to 5%, the monthly cashout bill will be based on the average Midpoint price contemplated in Section 8.7(a). The Monthly System Imbalance will be calculated at the same time the initial cashout bill for the billing Month is generated. If a Cashout Party's Monthly Imbalance is greater than 5% and is in the same direction as the Monthly System Imbalance, the monthly cashout bill will be based on the accumulated sum of the results of the formulas listed below such that, and until, the total Monthly Imbalance is fully accounted for:

<table>
<thead>
<tr>
<th>Imbalance Level</th>
<th>Factor</th>
<th>Applicable Cashout Price</th>
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<tbody>
<tr>
<td>0% - &lt;5%</td>
<td>1.00</td>
<td>average Midpoint</td>
</tr>
<tr>
<td>&gt;5% - &lt;=10%</td>
<td>.90</td>
<td>(Low Common x quantity &gt; 5%) + level above</td>
</tr>
<tr>
<td>&gt;10% - &lt;=15%</td>
<td>.80</td>
<td>(Low Common x quantity &gt;10%) + levels above</td>
</tr>
<tr>
<td>&gt;15% - &lt;=20%</td>
<td>.70</td>
<td>(Low Common x quantity &gt;15%) + levels above</td>
</tr>
<tr>
<td>&gt;20% - &lt;=25%</td>
<td>.60</td>
<td>(Low Common x quantity &gt;20%) + levels above</td>
</tr>
<tr>
<td>&gt;25%</td>
<td>.50</td>
<td>(Low Common x quantity &gt;25%) + levels above</td>
</tr>
</tbody>
</table>

For purposes of determining the appropriate cashout Factor, Cashout Party's imbalance level shall be determined by taking the lower of (a) the level of imbalance supplied pursuant to Section 25.2, or (b) the imbalance computed by comparing (i) the Deliveries at the Delivery Point and (ii) the Receipts at the Receipt Point and by dividing the excess Receipts by the total Receipts less Transporter's Use. For OBA imbalances that are resolved pursuant to this Section 8, the calculation of the amount due the Cashout Party relating to excess Receipts shall also include a Transportation imbalance credit, which shall be calculated by multiplying the excess Receipt quantity by the actual weighted average of all applicable Usage Rates owed on all quantities of Gas delivered during the Month to that OBA Party. Transporter shall have no responsibility for the distribution of funds beyond the initial distribution, in accordance with this resolutions procedure, to the Cashout Party.

(d) A Cashout of Transportation Imbalances at prices above or below the average Midpoint price shall not occur if it has been determined that such Transportation Imbalances are due to Transporter's negligence. Additionally, a Cashout of Transportation Imbalances due to Imbalance Due Transporter quantities or Imbalance Due Cashout Party quantities shall be limited to the average Midpoint price if such imbalances occurred during circumstances of Force Majeure that directly affect the Transporter's or upstream or downstream facilities over which Gas is transported under the applicable Agreement, or during circumstances of

Issued on: February 1, 2016
Effective on: April 1, 2016
Force Majeure that directly affect Shipper's facilities for the period until Shipper has an opportunity to adjust its nominations, or were the direct result of an OFO issued to the Shipper or its supplier.

8.8 Cashout of Transportation Imbalances at Agreement Expiration. At the time of expiration of an Agreement, all Transportation Imbalances shall be resolved pursuant to the provisions of Section 8.7 above.

8.9 Annual System Cashout Mechanism. Transporter shall establish an annual mechanism to determine the costs of implementing this Cashout provision. Such mechanism shall calculate, on a system-wide basis, the annual gross balance (positive or negative) derived from the Cashout program, which will be accounted for and disposed of in accordance with Section 23.3 of the General Terms and Conditions.
9. BILLING

9.1 Transporter shall render an invoice(s) to Shipper for each Month for (i) all Transportation Services provided pursuant to this Tariff during the preceding Month; and (ii) any other charges for which Shipper is liable under the Tariff or Shipper's other obligations. Unless otherwise agreed, Transportation invoices shall state the net billing rate, rather than the Recourse Rate or the negotiated rate or discount amount. The Imbalance Statement shall be rendered prior to or with the transportation invoice(s), and the transportation invoice(s) shall be rendered on or before the 9th Business Day after the end of the Service Month. Rendered is defined as postmarked, time-stamped, and delivered (made available) to the designated site or designated as approved or final on 1Line™. Shipper may choose on 1Line™ to be notified via e-mail when invoices are rendered. Prior Period Adjustment time limits shall be 6 Months from the date of the initial transportation invoice(s) with a 3-Month rebuttal period, excluding government-required rate changes. This standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods. Prior Period Adjustments shall be reported by production date, but do not have to be invoiced separately by production Month nor is each production Month a separate paper invoice page.

9.2 With respect to Cashout invoices, an Imbalance Statement and associated invoice shall be rendered in the second Month after the Monthly Transportation Imbalance occurs, which shall reflect the amount Due Transporter or a credit for the amount Due Cashout Party, as determined in Section 8 herein will be rendered with the Monthly Transportation invoice.

9.3 Both Transporter and Shipper shall have the right to examine at any reasonable time the applicable records of the other to the extent necessary to verify the accuracy of any statement made under or pursuant to the provisions of the Agreement. Upon receipt of a request, the recipient will either send the relevant information to the requestor or will provide the requestor the right to review such information in the recipient's offices.
10. PAYMENTS

10.1 All payments for invoices due to Transporter by Shipper shall be made by Shipper to a depository designated by Transporter via electronic funds transfers within ten (10) Days of the Day the invoice is rendered, (the "Payment Due Date"). Shipper shall submit any necessary supporting documentation with its payment except as provided below; Transporter shall apply payment per supporting documentation provided by Shipper, and if payment differs from the 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 date. Invoice number(s) shall be identified on all payments. If presentation of an invoice to Shipper is delayed after the 10th Day of the Month, the Payment Due Date shall be extended by an equal number of Days, unless Shipper is responsible for such delay.

10.2 Should Shipper fail to pay all of the amount of any invoice as herein provided, on or before the Payment Due Date, Shipper shall pay a charge for late payment which shall be included by Transporter on the next regular Monthly bill rendered to Shipper under this Section 10. Such charge for late payment shall be determined by multiplying (a) the unpaid portion of the invoice, by (b) the ratio of the number of Days from the Payment Due Date to the date of actual payment to 365, by (c) the interest rate determined in accordance with Section 154.501(d) of FERC's regulations. If such failure to pay continues for 30 Days after the Payment Due Date, Transporter, in addition to any other remedy it may have under the relevant Agreement, may terminate such Agreement and suspend further delivery of Gas without further notice; provided Transporter provides Shipper with 10 Days prior written notice of such termination and provided further such termination shall not be effective if, prior to the date of termination Shipper complies with the billing dispute procedure in Section 10.4 of the General Terms and Conditions of Transporter's Tariff.

10.3 In the event an error is discovered in the amount billed in any statement rendered by Transporter, such error shall be adjusted within 30 Days of the determination of the error; provided that any claim therefore shall have been made within 60 Days of discovery of such error and, in any event, within 6 Months from the date of the statement claimed to be in error. Billing errors shall be corrected as follows:

(a) Where Shipper has been overcharged and has paid the statement, in the event the overcharge is not the result of Transporter's negligence or bad faith, fraud or willful misconduct, the amount of the overpayment will be refunded to Shipper without interest provided the overpayment is refunded within 30 Days. Overpayments not refunded within 30 Days
will be subject to interest charges at the interest rate determined in accordance with Section 154.501(d) of FERC’s regulations from the date of the overpayment to the date of the refund. Where the refund is provided to Shipper by way of credit on a subsequent invoice rendered to Shipper by Transporter, the overpayment will be deemed to have been refunded on the date the credited invoice was received by Shipper.

(b) Where Shipper has been undercharged by Transporter, Shipper will pay the amount of the undercharge without interest provided the undercharge is paid within 30 Days. Undercharge amounts not paid within 30 Days will be subject to interest charges at the interest rate determined in accordance with Section 154.501(d) of FERC’s regulations from the date of the statement. Shipper shall have the right to review all records pertaining to its performance under Shipper's Agreement to verify the amount payable by Shipper to Transporter under the Agreement in any Month, so long as such review shall be completed within two years following the end of the calendar year in which such amount is payable. Such review shall be conducted during normal business hours, upon written request to Transporter and at Shippers' own expense.

10.4 If an invoice is in dispute, Shipper shall pay the portion not in dispute and provide documentation identifying the basis for the dispute. If Shipper in good faith:

(a) disputes the amount of any such bill or part thereof;

(b) pays to Transporter such amounts as it concedes to be correct;

(c) provides Transporter with a written notice including a full description of the reasons for the dispute, together with copies of supporting documents; and

(d) at any time thereafter within 20 Days of a demand made by Transporter furnishes good and sufficient surety bond, guaranteeing payment to Transporter of the amount ultimately found due upon such bill after a final determination which may be reached either by agreement or judgement of the courts, as may be the case, then Transporter shall not be entitled to suspend further services because of such non-payment pursuant to Section 10.2 unless and until default be made in the conditions of such bond.

10.5 In the event that Shipper does not pay the full amount due Transporter in accordance with this Section 10, Transporter, without prejudice to any other rights or remedies it may have, shall have the right to withhold and set off payment of any amounts of monies due or owing by Transporter to Shipper,
against any and all amounts or monies due or owing by Shipper to Transporter for Transportation Services provided.

10.6  Any payments received under this Section 10 shall first be applied to accrued interest, then to additional charges due, then to the previously outstanding principle, and lastly, to the most current principle due.
11. POSSESSION OF GAS

Unless otherwise provided in the Agreement or applicable Rate Schedule, as between Transporter and Shipper, Shipper shall be deemed to be in exclusive control and possession of the Gas (i) prior to receipt by Transporter at the Receipt Point(s) and (ii) after delivery by Transporter at the Delivery Point(s); otherwise, Transporter shall be in exclusive control and possession of the Gas. The party which shall be in exclusive control and possession of the Gas shall be responsible for all injury or damage caused thereby to any third party except any injury or damage caused by Gas provided by Shipper that fails to conform with the specifications set forth in Section 3. In the absence of bad faith or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with (i) the quality, use or condition of the Gas after delivery from Transporter for the account of such Shipper, (ii) any losses or shrinkage of Gas during or resulting from Transportation hereunder, and (iii) all other claims and demands arising out of Transporter's performance of its duties hereunder.
12. RECEIPT AND DELIVERY POINT PRESSURE

12.1 All gas tendered by or on behalf of Shipper to Transporter will be delivered at Receipt Points at a pressure sufficient to enter Transporter's system up to Transporter's Maximum Allowable Operating Pressure.

12.2 Unless otherwise agreed to, Transporter will redeliver Gas at the Delivery Points nominated by Shipper at Transporter's prevailing line pressure of no less than 250 pounds per square inch, gauge pressure ("Minimum Delivery Pressure"). If Transporter and Shipper otherwise agree on the Minimum Delivery Pressure at a Delivery Point(s), it will be set forth on Exhibit B of the Agreement; provided, however, at Shipper’s request Transporter may redeliver gas at a pressure less than the Minimum Delivery Pressure if requested by Shipper for operational reasons.
13. OPERATIONAL FLOW ORDERS (OFOs)

13.1 Notification of Conditions that May Require the Issuance of an OFO or Action Alert: Transporter shall provide prior notice, via posting on 1LineSM and to affected Shippers and point operators through the affected party's choice of Electronic Delivery Mechanism(s), of upcoming events that may affect Transporter's pipeline system such as anticipated weather patterns or operational situations that may necessitate the issuance of an OFO pursuant to this Section 13.

13.2 Circumstances Warranting Issuance of an Operational Flow Order: Transporter shall have the right to issue Operational Flow Orders as specified in this Section 13 that require actions by Shippers/point operators in order (1) to alleviate conditions that threaten to impair Transporter's ability to provide reliable service, (2) to maintain pipeline operations at the pressures required to provide efficient and reliable service, (3) to have adequate Gas supplies in Transporter's system to receive and deliver Gas consistent with its firm Transportation Service obligations, (4) to maintain Transportation Service to all firm Shippers and for all firm Transportation Services, and (5) to maintain Transporter's system in balance for the foregoing purposes. Transporter shall lift any effective Operational Flow Order, promptly upon the cessation of operating conditions that caused the relevant system problem(s). Routine repairs and maintenance will not be used as a basis for issuing OFOs. Transporter will plan routine repairs and maintenance by scheduling such activities in advance.

13.3 Voluntary Actions to be Taken to Avoid Issuance of an Operational Flow Order: Transporter shall, to the extent practicable, take all reasonable actions necessary to avoid issuing an Operational Flow Order. Such actions may include (1) working with point operators to temporarily adjust, by mutual agreement, Receipts and/or Deliveries at relevant Receipt Point(s) or Delivery Point(s), (2) working with Shippers/point operators to adjust, by mutual agreement, scheduled flows on Transporter's system, (3) issuing an Action Alert designed to mitigate the conditions which, if continued, would require the issuance of an Operational Flow Order, or (4) taking any other reasonable action designed to mitigate the system problem. After taking all such reasonable actions to avoid issuing an Operational Flow Order, Transporter will have the right to issue Operational Flow Orders, if necessary, in the circumstances described in Sections 13.2 and 13.7.

13.4 Applicability of Operational Flow Orders or Action Alerts: Transporter shall issue an Operational Flow Order or Action Alert as localized as is reasonably practicable based on Transporter's good faith judgment concerning the situations requiring remediation such that an Operational Flow Order or Action Alert will be directed (1) to Shippers/point operators causing the problem necessitating the
Operational Flow Order or Action Alert or transporting Gas in the area of Transporter's system in which there is an operational problem, and (2) to those Shippers/point operators transporting Gas in the area of Transporter's system where action is required to correct the problem necessitating the Operational Flow Order or Action Alert. Transporter will tailor the Operational Flow Order or Action Alert to match the severity of the known or anticipated operational problem requiring remediation as more fully set forth in subsections 13.6 and 13.7.

13.5 Notice: All Operational Flow Orders and Action Alerts will be issued via posting on 1LineSM to be followed by facsimile or telephone notification to the affected Shippers and point operators and notification to the affected parties through the affected party's choice of Electronic Delivery Mechanism(s). The Operational Flow Order/Action Alert will set forth (1) the time and date of issuance and effectiveness, (2) the actions a Shipper/point operator is required to take, (3) the time by which a Shipper/point operator must be in compliance with the Operational Flow Order/Action Alert, (4) the anticipated duration of the Operational Flow Order/Action Alert, and (5) any other terms that Transporter may reasonably require to ensure the effectiveness of the Operational Flow Order or Action Alert. Each Shipper and point operator must designate one or more persons, but not more than three persons, for Transporter to contact on operating matters at any time, on a 24-Hour a Day, 365-Day a year basis. Such contact persons must have adequate authority and expertise to deal with such operating matters. If Transporter cannot contact any Shipper/point operator because that Shipper/point operator has failed to designate a contact person or Shipper's/point operator's contact person is unavailable, Transporter shall not be responsible for any consequences that result from its subsequent actions taken to alleviate the system problem. Transporter, however, will make reasonable continuing efforts to notify the affected Shipper/point operator. In addition to the other information contemplated by this Section 13.5, such notice shall also include information about the status of operational variables that determine when an Operational Flow Order or Action Alert will begin and end, and Transporter shall post periodic updates of such information, promptly upon occurrence of any material change in the information. Transporter will post a notice on 1LineSMSM informing the Shipper/point operator when any Operational Flow Order or Action Alert in effect will be cancelled and specifying the factors that caused the Operational Flow Order or Action Alert to be issued and then lifted, to the extent such factors are known.

13.6 Action Alerts: In the event that, in Transporter's judgment, action is required to avoid a system integrity issue, Transporter may issue Action Alerts.

(a) Issuance of Action Alerts: Action Alerts will be noticed in accord with the procedures set forth in Section 13.5 and will be issued a minimum of four hours, or such shorter period of time as Transporter deems
reasonable under the circumstances, prior to the required action by the Shipper/point operator.

(b) Required Actions: Action Alerts can be issued to effect any of the following:

(i) curtailment of interruptible services;

(ii) restrictions of deliveries to specific Receipt or Delivery Point(s) covered by an Operational Balancing Agreement to the aggregate MDQ under the firm Transportation Agreements whose Primary Receipt and/or Delivery Points are at the affected locations;

(iii) forced balancing such that point operators will be required to assure that nominations equal flows or that Receipts and Deliveries fall within the tolerance level designated in the Action Alert; and/or

(iv) any action required to maintain the integrity of Transporter's System.

13.7 Operational Flow Orders: In the event that (1) Shipper/point operator does not respond to an Action Alert, or (2) the actions taken thereunder are insufficient to correct the system problem for which the Action Alert was issued, or (3) there is insufficient time to carry out the procedures with respect to Action Alerts, Transporter may periodically take unilateral action, including the curtailment of firm Transportation Service, to maintain the operational integrity of Transporter's system (or any portion thereof). For purposes of this Section 13.7, the operational integrity of Transporter's system shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system (or any portion thereof), and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of Gas delivered. Notice of an Operational Flow Order will be provided pursuant to and in accordance with Section 13.5 above.

13.8 Penalties: If a Shipper/point operator fails to comply with an Action Alert or Operational Flow Order, the Shipper/point operator shall be subject to a penalty as follows:

Action Alert penalty for each Dekatherm of Gas by which Shipper/point operator deviated from the requirements of the Action Alert equal to the product of 200% times the "Florida Gates via FGT", "High Common" price published in "Platts Gas Daily" "Daily Price Survey", for each Day that said Action Alert is in effect.
Operational Flow Order penalty for each Dekatherm of Gas by which Shipper/point operator deviated from the requirements of the Operational Flow Order equal to the product of 500% times the "Florida Gates via FGT", "High Common" price published in "Platts Gas Daily" "Daily Price Survey", for each Day that said Operational Flow Order is in effect.

Any penalty revenues received by Transporter as a result of the operation of Section 13.8 above will be credited pursuant to Section 24.4 of the General Terms and Conditions.

13.9 Liability of Transporter: Transporter shall not be liable for any costs or damages incurred by any Shipper/point operator in complying with an Operational Flow Order. Transporter shall not be liable for any costs or damages that result from any interruption in Shipper's/point operator's service that is a result of a Shipper's/point operator's failure to comply promptly and fully with an Operational Flow Order. Shipper/point operator shall indemnify Transporter against any claims of liability, provided, however, that Transporter shall use reasonable efforts to minimize any such costs or damages.
14. **HOURLY FLOWS**

14.1 Unless otherwise agreed, Shipper shall deliver, or cause to be delivered and Transporter shall receive at each Receipt Point, Gas at uniform rates over a twenty-four (24) hour period to the extent practicable. Unless otherwise agreed, Transporter shall deliver and Shipper shall receive, or cause to be received at each Delivery Point Gas at up to the Maximum Hourly Flow Rates, and within Shipper's MHQ, as provided in Shipper's Agreement. In addition, Transporter may deliver to Shipper(s), on an interruptible basis and with no additional charge for the additional hourly flexibility. Gas at hourly flows rates in excess of Shipper's(s') primary or secondary point hourly flow rights so long as such excess hourly flows do not adversely affect Transporter's ability to meet other scheduled firm and interruptible services or otherwise affect the safe and reliable operation of Transporter's system.

14.2 Transporter shall recognize that the parties may be unable to control exactly the quantities of Gas received and delivered on any Day and that the quantities received by Transporter may vary from the quantities delivered on any Day. Such variations shall be kept to a minimum and shall be balanced as soon as practicable. Shipper and Transporter shall manage the receipts and deliveries so that the difference between receipt quantities and delivery quantities shall be kept as near zero as practicable, taking into account Transporter's Use and other deductions. Further, Transporter shall be under no obligation to accept from Shipper Gas in excess of the scheduled amount for the Receipt Point for that Day.
15. WARRANTY OF TITLE

15.1 This Article shall apply to all service unless otherwise provided in the applicable Rate Schedule or Agreement.

15.2 Shipper warrants for itself, its successors and assigns, that it will have, at the time of delivery of Gas hereunder, good title to the Gas it delivers, that the Gas it delivers hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, that it will indemnify the Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said Gas and/or to royalties, taxes, license fees, or charges thereon which are applicable for such delivery of Gas and that it will indemnify the Transporter and save it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by and the obligation of the party making such delivery.

15.3 If Shipper's title or right to deliver Gas to be transported is questioned or involved in any action, Shipper shall not qualify for or shall be ineligible to continue to receive service until such time as Shipper's title or right to deliver is free from question; provided, however, Transporter shall allow Shipper to qualify for or continue receiving service under this Tariff if Shipper furnishes a bond satisfactory to Transporter.

15.4 Title to the Gas received by Transporter at the Receipt Point(s) shall not pass to Transporter, except that title to Gas delivered for Transporter's system fuel and uses and Gas lost and unaccounted for shall pass to Transporter upon delivery at the Receipt Point(s).
16.  FORCE MAJEURE

16.1 If either Transporter or Shipper fails to perform any obligations under an Agreement due to an event of Force Majeure, such failure shall be deemed not to be a breach of such obligations and neither party shall be liable in damages or otherwise as a result of an event of Force Majeure. A party that fails to perform any obligations under an Agreement where such failure is caused by an event of Force Majeure shall promptly remedy the cause of the Force Majeure insofar as it is reasonably able to do so.

16.2 Notwithstanding the above provisions, no event of Force Majeure shall:

(a) relieve any party from any obligation or obligations pursuant to an Agreement unless such party gives notice with reasonable promptness of such event to the other party;

(b) relieve any party from any obligation or obligations pursuant to an Agreement after the expiration of a reasonable period of time within which, by the use of its due diligence, such party could have remedied or overcome the consequences of such event of Force Majeure; or

(c) relieve either party from its obligations to make payments of amounts as provided in the applicable Rate Schedule, subject to any credit provided for in the applicable Rate Schedule.
17. NOTICES

Except when the terms of this Tariff require or allow for communication via 1Line<sup>SM</sup> or EDM, any communication, notice, request, demand, statement, or bill provided for in the Tariff or in an Agreement or OBA, or any notice which either Transporter or Shipper may desire to give to the other, shall be in writing and shall be considered as duly presented, rendered, or delivered when mailed by either post-paid registered or ordinary mail or when sent by telegram, cable, telecopy, telex, express mail service, or such other method mutually agreed upon between the parties. The material so sent shall be addressed to the pertinent party at its last known post office address, or at such other address as either party may designate.
18. MODIFICATION

No modification of the terms and provisions of an Agreement shall be made except by the execution of written contracts.
19. WAIVER

19.1 Transporter may waive any of its rights or any obligations of Shipper hereunder as to any specific right or obligation that has already arisen or in advance as to any specific, temporary issue on a case-by-case basis that is not unduly discriminatory.

19.2 No waiver by either Transporter or Shipper of any one or more defaults by the other in the performance of any provisions of the Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.
20. SCHEDULES AND CONTRACTS SUBJECT TO REGULATION

This Tariff, including these General Terms and Conditions and the respective obligations of the parties under an Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction and are subject to change from time to time by addition, amendment, or substitution as provided by law.
21. OPERATIONAL BALANCING AGREEMENTS ("OBAs")

21.1 For the purposes of minimizing operational conflicts between various natural gas facilities with respect to the delivery of gas to and from Transporter's facilities, Transporter may negotiate and execute on a not-unduly discriminatory basis mutually agreeable OBAs with appropriate parties that operate natural gas facilities interconnecting with Transporter's system (any such party will be referred to herein as the "OBA Party"). Transporter must enter into OBAs at all points of interconnection between its system and the system of another interstate or intrastate pipeline. Such OBAs shall specify the Gas custody transfer procedures to be followed by Transporter and the OBA Party for the confirmation of scheduled quantities to be received by Transporter at Receipt Point(s) and delivered by Transporter at Delivery Point(s). Such OBA will provide that any variance between actual quantities and scheduled quantities at the point where the OBA is in place for any Day shall be resolved pursuant to the terms of the OBA.

To facilitate such determination of variances on a timely basis, Transporter and the OBA Party will agree in the OBA on necessary measurement and accounting procedures. Transporter shall post on 1LineSM those Receipt Point(s) and Delivery Point(s) at which an OBA is in effect.

21.2 If Receipt or Delivery Point Operators have not executed an OBA with Transporter as described in Section 21.1, then any variance between actual quantities and scheduled quantities for any Day for that Receipt or Delivery Point shall be cumulated for the month for the Shipper(s) responsible for the imbalance, and such monthly imbalances will be subject to the cashout of monthly imbalances as set forth in Section 8 herein.

21.3 Resolution of OBA Imbalance: Transporter and the OBA Party shall resolve any imbalances in accordance with the procedures set forth in the OBA. Unless otherwise agreed, OBA imbalances shall be resolved on a monthly basis by cashout mechanism.

21.4 Form of OBA Agreement. A Form of OBA Agreement is displayed on 1LineSM for informational purposes.
22. NEW FACILITIES POLICY

22.1 Unless otherwise mutually agreed to by the parties, Transporter shall not be required to own, construct and install any facilities to perform any service requested by a Shipper under this Tariff. In the event Transporter agrees to own, construct and install facilities to perform services requested including, but not limited to, hot tap, side valve, measurement, Gas supply lateral lines, looping and/or compression facilities, Transporter shall do so on a not unduly discriminatory basis. Shipper shall reimburse Transporter (a) for the costs of such facilities installed by Transporter to receive, measure, transport or deliver natural gas for Shipper's account and (b) for any and all filings and approval fees required in connection with such construction that Transporter is obligated to pay to the Commission or any other governmental authority having jurisdiction. Nothing in this policy statement shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7 (c) of the Natural Gas Act. Nothing in this policy statement, further, shall prevent Transporter from contesting an application for service filed pursuant to Section 7 (a) of the Natural Gas Act. Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown.

22.2 Transporter may waive from time to time, at its discretion, all or a portion of the monetary reimbursement requirement set forth in Section 22.1 if it determines that construction of the facilities would be economic to Transporter, based on Shipper assurance of Transportation throughput through the proposed facilities and other matters, as described below. All requests for waiver shall be handled by Transporter in a manner which is not unduly discriminatory. For purposes of determining whether a project is economic, Transporter will evaluate projects on the basis of various economic criteria, which may include, without limitation, the estimated Transportation throughput, cost of the facilities, operating, maintenance, administrative and general expenses attributable to the facilities, the system net revenues Transporter estimates will be generated subsequent to such construction, and the availability of capital funds on terms and conditions acceptable to Transporter. In estimating the system net revenues to be generated, Transporter will evaluate the existence of capacity limitations of the existing facilities, the marketability of the capacity, the location of the markets, the nature of the Transportation service, and other factors which impact the utilization of Transporter's system.

22.3 Any monetary reimbursement due Transporter by Shipper pursuant to this Section 22 shall be due and payable to Transporter prior to Transporter's commencement of construction of facilities to be constructed unless otherwise agreed by Transporter and within ten (10) Days of receipt by Shipper of Transporter's invoice(s) for same; provided, however, subject to Transporter's written consent, such monetary reimbursement, plus carrying charges thereon,
may be amortized over a mutually agreeable period not to exceed the primary contract term of any Agreement for service between Transporter and Shipper. Carrying charges shall be computed utilizing interest factors acceptable to both Transporter and Shipper. Unless Transporter and Shipper otherwise agree on interest factors for computing the carrying charges for new facilities, the interest rates determined by the Commission under Section 154.501(d) of the Commission's regulations shall apply.

22.4 In order to maintain and expand service and utilization of Transporter's system, Transporter may negotiate Agreements with Shippers in connection with which Transporter could make a contribution in aid of construction (CIAC) to the Shipper. The Shipper would use such funds to assist in the development of its natural gas related facilities. For any newly agreed to CIAC, Transporter will post on 1LineSM for a period of thirty (30) days (1) the amount of the CIAC, (2) the name of the Shipper receiving the CIAC, and (3) the economic feasibility of the CIAC. Such CIACs are includible in Transporter's jurisdictional rate base and amortizable. All CIACs entered into pursuant to this provision shall be subject to review and challenge by the Commission and all parties in a general rate case requesting inclusion of such costs.
23. PERIODIC RATE ADJUSTMENTS

Transporter and Shipper recognize that Transporter 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 Transporter or Shipper or attributable to Transporter or Shipper, and costs generated by decisions of the Commission, the courts or by an arbitration panel or other body having jurisdiction over Transporter. Transporter and Shipper further recognize that it may be appropriate, equitable and consistent with cost responsibility to allocate such costs among Shippers 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. Shipper agrees that Transporter 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. Shipper shall have the right to intervene and protest any such filing.

23.1 Federal Energy Regulatory Commission Annual Charge Adjustment.

(a) The purpose of this Section 23.1 is to establish an Annual Charge Adjustment (“ACA”) as permitted by Section 154.402 of the Commission's Regulations to permit Transporter to recover from its Shippers all annual charges assessed it by the Commission under Part 382 of the Commission's Regulations.

(b) Applicable Rate Schedules: The ACA as set forth on the Statement of Additional Charges and Surcharges of this Tariff, is applicable to Transporter's Rate Schedules FTS and ITS.

(c) [Reserved For Future Use]

(d) Remittance to the Commission. Transporter shall remit to the Commission, not later than forty-five (45) Days after receipt of the Annual Charges Billing, the Total Annual Charge stated on such billing.

(e) Basics of the Annual Charge Adjustment. The Rate Schedules specified in Section 23.1(b) hereof shall include an increment for an Annual Charge Adjustment for costs specified in Section 23.1(a), above. Such adjustment shall be the billable charge factor from the Commission, adjusted to the Company's pressure base and heating value, if required, 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.”
23.2 Transporter's Use.

(a) The initial Transporter's Use (%) will be calculated based upon appropriate engineering principles. After one year of operation and each June 1 thereafter commencing in 2005, Transporter's Use (%) will be redetermined by dividing Transporter's projection for the next 12 Months beginning June 1 of fuel usage and any lost and unaccounted-for gas by Transporter's projection of applicable deliveries for the account of Shippers for the next 12 Months beginning June 1. This percentage will go into effect on June 1. Transporter may file interim proposals between annual filings subject to approval by the Commission.

(b) Pursuant to Section 23.3, Transporter shall maintain a separate System Balancing Adjustment account. This account shall be credited for all sales of excess fuel collected under Transporter's Use, debited for all purchases for Transporter's Use and further adjusted for the operational activities enumerated in Section 23.3(a).

23.3 System Balancing Adjustment. In order to maintain an operational system balance on its system, Transporter will calculate a system balancing adjustment ("SBA") charge.

(a) Transporter's SBA balance shall be the sum of:

(1) The net annual system cashout balance determined in accordance with Section 8 of the General Terms and Conditions and OBA cashouts;

(2) The net Transporter's Use Adjustment balance, determined in accordance with Section 23.2 of the General Terms and Conditions;

(3) Penalty revenues credited pursuant to Sections 24.1(a), 24.1(b), 24.2, and 24.3 of the General Terms and Conditions; and

(4) Any other account balance as may be approved by the FERC.

(b) The net SBA balance determined in Section 23.3(a), through January 31 of the year in which the filing pursuant to Section 23.3(c) is made will be refunded or recovered from Shipper pursuant to the procedures in this Section 23.3. Upon determining the net SBA balance at the end of the accumulation period, Transporter shall calculate surcharges or refunds designed to allocate such balance to Shippers based upon each Shipper's actual throughput during the twelve-month accumulation period.
Shipper's net debit or credit for the accumulation period shall be due and payable sixty (60) Days after the Commission's acceptance of the filing pursuant to Section 23.3(c). Notwithstanding the immediately preceding sentence, if the net SBA balance results in a surcharge/debit, each Shipper who is allocated a surcharge/debit shall have the right by providing notice to Transporter within the sixty (60)-Day period to elect to pay the surcharge/debit ratably over the twelve (12)-Month period, commencing with the first Day of the first calendar month following the last Day of the sixty (60)-Day period, with interest calculated for each payment from the end of the sixty (60)-Day period until the payment is made (at the rate set forth in Section 154.501(d) of the Commission's regulations).

(c) Transporter shall file on May 1, 2005, and each year thereafter, to establish the SBA refund or surcharge determined pursuant to the procedures in this Section 23.3.
24. PENALTIES AND PENALTY CREDITING MECHANISM

24.1 Rate Schedule PALS penalties.

(a) Penalty for PALS Non-compliance

In the event that a Shipper incurs a penalty pursuant to Section 4.1(b) of Rate Schedule PALS, which section is applicable if a Shipper does not comply with Transporter's notice given pursuant to Section 4.1(a) of Rate Schedule PALS to either remove Park service quantities or to return Loan service quantities, Transporter shall credit the penalty revenue, net of costs, to the System Balancing Adjustment, Section 23.3 of the General Terms and Conditions. Any penalty revenue credited to the System Balancing Adjustment pursuant to this section shall include interest calculated in accordance with Section 154.501 of the Commission's regulations.

(b) Balances Remaining Upon PALS Contract Termination

In the event that Transporter receives penalty revenue from a PALS Shipper as the result of the application of Section 4.2 of Rate Schedule PALS to such PALS Shipper's unresolved balance, Transporter shall credit the penalty revenue received, net of costs, to the System Balancing Adjustment, Section 23.3 of the General Terms and Conditions. Any penalty revenue credited to the System Balancing Adjustment pursuant to this section shall include interest calculated in accordance with Section 154.501 of the Commission's regulations.

24.2 Trespass Gas

In the event that Transporter receives penalty revenue from a Shipper as the result of the application of Section 7.3 (Trespass Gas) of the General Terms and Conditions, Transporter shall credit the penalty revenue received, net of costs, to the System Balancing Adjustment, Section 23.3 of the General Terms and Conditions. Any penalty revenue credited to the System Balancing Adjustment pursuant to this section shall include interest calculated in accordance with Section 154.501 of the Commission's regulations.

24.3 Conversion of Gas

In the event that Transporter receives penalty revenue from a Shipper as the result of the application of Section 7.4 (Conversion of Gas) of the General Terms and Conditions, Transporter shall credit the penalty revenue received, net of costs, to the System Balancing Adjustment, Section 23.3 of the General Terms and Conditions.
and Conditions. Any penalty revenue credited to the System Balancing Adjustment pursuant to this section shall include interest calculated in accordance with Section 154.501 of the Commission's regulations.

24.4 Action Alert/Operational Flow Order Penalties

Any penalty revenue collected by Transporter pursuant to Section 13.8 of the General Terms and Conditions will be credited, net of costs, to any firm or interruptible Shipper that did not incur penalties pursuant to Section 13.8 of the General Terms and Conditions in the Month for which penalty revenues were received ("Non-Offending Shipper"), based on the ratio of the actual quantities taken by the Non-Offending Shipper to the actual quantities taken by all Non-Offending Shippers in such Month. Such credits shall be made within 90 days following each anniversary of the initial in-service date of Transporter's system and shall include interest at the rate determined in accordance with Section 154.501 of FERC's regulations.
25. **ELECTRONIC COMMUNICATION SERVICE**

25.1 **Availability**

Transporter maintains its Electronic Bulletin Board (1LineSM) to provide the information or services required by applicable Commission orders or described in Transporter's Tariff. 1LineSM is comprised of two internet websites: a non-secure (public) Informational Postings site and a secure (non-public) Customer Activities site. Information of a general nature is included in the public Informational Postings site. Confidential Shipper and interconnect specific data is accessible only through the non-public Customer Activities site.

1LineSM shall be available twenty-four (24) hours per Day, subject to maintenance and reasonable downtime. The Customer Activities site shall be available on a nondiscriminatory basis to any entity provided that such entity submits a complete request in accordance with Transporter’s procedures set forth in Section 25.3 below. Transporter reserves the right, at its sole discretion, to provide enhancements to 1LineSM or to discontinue information or services not required by Commission order or otherwise described in Transporter's Tariff.

25.2 **Information**

Transporter shall post at least four times per Day on 1LineSM information relevant to the availability of firm and interruptible capacity at Points of Receipt, on the mainline and at Points of Delivery. The 1LineSM system shall provide the best available information about imbalances on an hourly and a daily basis. The 1LineSM system also includes information allowed or required to be posted thereon by other provisions of the Tariff including Section 26, information which Transporter is required to post pursuant to the Commission's regulations, or other information Transporter chooses to post in furtherance of the operation of its system. Critical system-wide notices shall have a separate category from notices that are not critical.

25.3 **Access to Customer Activities Site**

To initiate the process necessary to gain access to the non-public Customer Activities site, an entity (Business Associate) must complete an Access Request Form and submit to Transporter. The Access Request Form is available for completion and submission from the Informational Postings area of 1LineSM.

On the Access Request Form, the Business Associate must designate one person as its System Security Administrator (SSA). Upon receipt of the Access Request Form, Transporter will create a unique Business Associate ID for the Business Associate and assign a UserID and temporary password to the Business Associate’s SSA. The temporary password will be provided electronically to the
designated SSA and will expire upon initial log-on to the Customer Activities site, at which time the SSA will designate his or her own password. By logging into the Customer Activities site with the temporary password, the Business Associate and its SSA agree to the provisions of these General Terms and Conditions as applicable.

Business Associate agrees to immediately notify Transporter upon any material change to the information provided on the Access Request Form, and to provide Transporter any documentation required to verify such material change (e.g., documentation verifying a legal name change, etc.).

25.4 Role and Responsibilities of the Business Associate’s SSA

The SSA will perform certain administrative functions for the Business Associate in 1Line™ including (1) identifying those users who are duly authorized to access the Business Associate’s information on Transporter's Customer Activities site (Authorized Persons), (2) setting up UserIDs on 1Line™ for use by Business Associate’s Authorized Persons, (3) maintaining account information for those Authorized Persons, (4) promptly disabling UserID(s) when an Authorized Person(s) is no longer an employee of the Business Associate or is no longer authorized to transact business for that Business Associate, (5) managing or modifying security rights for Authorized Persons, and (6) ensuring that Transporter's UserID and password rules, as detailed in this Section 25, are followed. Transporter shall be entitled to rely for all purposes in 1Line™ upon the SSA’s performance of those administrative functions in designating the Business Associate’s Authorized Person(s), including that the Authorized Person(s) may (x) transmit information to Transporter via the Customer Activities site and/or (y) view the Business Associate’s information posted on Transporter’s Customer Activities site in accordance with the security rights granted by the SSA.

Either an SSA or Authorized Person may instruct Transporter in writing to modify its SSA designation. Such instruction shall supersede in its entirety any previously submitted SSA designation for that Business Associate. The Business Associate shall be solely responsible for any unauthorized actions due to failure to notify Transporter to modify or terminate its SSA.

25.5 Authorized Persons of 1Line™

Each Authorized Person on the Customer Activities site will be provided a unique UserID and a temporary password that must be changed upon first login. Each Authorized Person, by logging onto 1Line™ with his or her UserID, agrees to the provisions of these General Terms and Conditions as applicable and any other applicable provisions of Transporter’s FERC Gas Tariff as filed with the

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Commission, and as the same may be legally amended or superseded from time to time.

25.6 Electronic Execution of Agreements

To the extent that Transporter provides through 1LineSM the ability for Business Associates to execute Agreements, electronic execution of such Agreements shall be the sole method used to enter into such Agreements and Business Associate shall be bound by any such Agreement electronically executed. Transporter will maintain on the Informational Postings site of 1LineSM a list of those Agreements that shall be executed electronically.

The electronic execution by Business Associate shall constitute Business Associate’s signature to, and approval of, the subject Agreement, provided that an Agreement electronically executed by Business Associate shall not be deemed to have been properly received by Transporter until accessible by Transporter through 1LineSM. Any such Agreement which has been properly received shall not give rise to any obligation until Transporter has provided in return its notice of acceptance of the Agreement. Transporter’s notice of acceptance of the Agreement shall constitute Transporter's signature to and approval of same. Business Associate's use of the electronic execution feature of 1LineSM to execute an Agreement, together with Transporter’s notice of acceptance thereof, will constitute an executed written Agreement between the parties (“Signed Agreement”) in satisfaction of any applicable "statute of frauds."

Any Agreement properly executed in accordance with these provisions shall be considered for all purposes to be a "writing" or "in writing"; and any such Agreement shall be deemed for all purposes (a) to have been "signed" and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

The use of Signed Agreements pursuant to this Section 25, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the parties in furtherance of their use of 1LineSM for electronic communications. Neither Transporter, Business Associate, SSA nor Authorized Person shall contest the validity or enforceability of Signed Agreements under the provisions of any applicable law relating to whether certain Agreements are to be in writing or signed by the party to be bound thereby. Signed Agreements, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Signed Agreements under either the business records exception to the hearsay
rule or the best evidence rule on the basis that the Signed Agreements were not originated or maintained in documentary form.

25.7 Agents

Transporter agrees that it will recognize the appointment of an Agent by Business Associate to access and perform functions on 1Line℠ on Business Associate’s behalf (“Agent”). However, Transporter shall only recognize such appointment when all the following conditions have been met: Business Associate and Agent complete and provide to Transporter an Agency Appointment Form as made available on Transporter’s Informational Postings site, and Agent completes and provides to Transporter the Access Request Form specifying Agent’s SSA. Thereafter, Agent will be considered a Business Associate and will be treated as a Business Associate as described herein. Business Associate may cancel the appointment of an Agent by following the procedures specified on the Agency Appointment Form and/or name a successor Agent by providing an updated Agency Appointment Form. Business Associate represents and acknowledges that any Agent recognized by Transporter has legal authority to act on behalf of Business Associate in performing any functions identified on the Agency Appointment Form for which the Agent is authorized, and that Transporter is fully entitled to rely upon, and is fully protected in relying upon and acting in accordance with, such representation and acknowledgment.

25.8 Security

Transporter and Business Associate agree that security is a priority. Transporter, therefore, reserves the right to terminate any Business Associate’s Authorized Person’s UserID which has been inactive for more than ninety (90) calendar days. Transporter further reserves the right to inactivate UserIDs if the Business Associate, its SSA, and/or Authorized Person(s) breaches any provision in this Section 25. Such inactivation shall only be implemented following ten (10) days prior notice by Transporter to Business Associate of such intended action and the reason therefor to provide Business Associate a reasonable time to reform or correct its conduct; however, if the conduct results in a serious breach which may immediately jeopardize the security, confidentiality, or viable operation of 1Line℠, Transporter reserves the right to immediately inactivate the appropriate UserIDs.

25.9 Confidentiality

Transporter and Business Associate agree that confidentiality is critical to security. Therefore, Business Associate agrees to keep, and to cause its SSA and its Authorized Persons to keep, all UserIDs and passwords confidential and not to disclose the same, either separately or combined. Business Associate agrees that only the SSA and Business Associate’s Authorized Persons will be given unique
UserIDs and passwords for that Business Associate, and that only the SSA and Business Associate's Authorized Persons will be permitted to access 1Line\textsuperscript{SM} on Business Associate's behalf. Likewise, Transporter agrees to keep, and to cause its authorized employees to keep, Business Associate's UserIDs and temporary passwords confidential and not to disclose the same, either separately or combined, to any person or entity without authority to access the 1Line\textsuperscript{SM} Customer Activities site for Transporter. Business Associate agrees to immediately notify Transporter if it becomes aware that a security breach has or may have occurred. Any use of 1Line\textsuperscript{SM} by any person using any of Business Associate's UserIDs and/or passwords shall be deemed to be used by Business Associate and Business Associate agrees to be responsible for and to accept liability for any such use, whether by Authorized Persons or unauthorized persons, except to the extent resulting from the negligent actions or willful misconduct of Transporter.

25.10 Indemnification

Business Associate agrees to defend, indemnify and hold harmless Transporter, its members and its and their affiliates, officers, directors, employees, agents and representatives from and against all claims, demands, direct damages, losses, costs and expenses (including without limitation, court costs and reasonable attorneys' fees) and liabilities (exclusive of special, indirect or consequential damages, including, without limitation, loss of profits or business interruptions) arising out of (i) any breach of confidentiality with respect to the assignment of UserIDs or passwords to Business Associate, its SSA or its Authorized Persons or the use of UserIDs or passwords by Business Associate's SSA or Authorized Persons, or use by any unauthorized person who gained knowledge of Business Associate's UserIDs or passwords due to the negligent actions or willful misconduct of Business Associate, (ii) any breach of a provision of this Section 25 by Business Associate or its SSA or Authorized Persons, employees or Agents and/or (iii) any and all use of Business Associate's 1Line\textsuperscript{SM} account except to the extent resulting from the negligent actions or willful misconduct of Transporter.

Any entity, Business Associate or person utilizing 1Line\textsuperscript{SM} assumes sole responsibility for use of 1Line\textsuperscript{SM} and the files and the information displayed on 1Line\textsuperscript{SM} and hereby indemnifies and holds Transporter harmless against any liability or claim that is attributable to improper use of 1Line\textsuperscript{SM} or of the files and the information displayed on 1Line\textsuperscript{SM}.

25.11 Limitation of Liability

Business Associate agrees that Transporter may act, without liability to Business Associate or any other party, in reliance upon any acts or things done or performed by persons utilizing Business Associate’s UserIDs or passwords on behalf of Business Associate (so long as Transporter is not aware of a security
breach). Business Associate shall hold Transporter harmless from any omission or failure by Business Associate or its authorized Agents to act or perform any duty required as a result of any use of the interactive function of 1LineSM. Transporter shall not be held responsible for any omission or failure of a function accessed through 1LineSM if such omission or failure is caused by or related to any errors in transmission of data to or from Transporter's computer systems, power failures, failure of any computer systems or backup systems, or any other event beyond the reasonable control of Transporter. If Business Associate requests and receives assistance from Transporter’s representatives, such assistance will be at the Business Associate’s sole risk and Transporter will not have any responsibility or liability arising therefrom, except as may arise from the negligent action or willful misconduct of Transporter. Neither Transporter nor Business Associate shall be liable to the other for any special, indirect or consequential damages (including, without limitation, loss of profits or business interruptions) arising out of or in any manner related to this Section 25, the provision and use of 1LineSM or the information contained therein.

25.12 Procedures

Transporter and Business Associate, its SSA and Authorized Persons agree to follow all procedures regarding 1LineSM as such procedures may be established and announced from time to time.

25.13 Ownership of 1LineSM Service

"1LineSM" is a service mark of Williams Gas Pipeline Company, LLC. Williams Gas Pipeline Company, LLC is the exclusive proprietor of the programming which generates 1LineSM and of all the copyrights and proprietary interests therein, except insofar as any third party possesses a copyright or proprietary interest in such materials. Williams Gas Pipeline Company, LLC is a contract service provider for Transporter and provides electronic bulletin board services for Transporter. A 1LineSM Business Associate will not by virtue of this Section 25 acquire any proprietary interests in the software which generates 1LineSM or in the files, information, or data displayed on 1LineSM.
26. **CAPACITY RELEASE PROVISIONS**

This section sets forth the terms and conditions that are applicable to the release of firm entitlements under various services that are provided pursuant to this Tariff.

26.1 **Procedure.** Capacity released shall be subject to the terms and conditions of this Section 26.1.

(a) **Eligibility.** Any Shipper ("Releasing Shipper") under Rate Schedule FTS of this Tariff, shall be entitled, subject to the terms and conditions of this Section 26.1, to release any or all of its firm Transportation entitlements held under an Agreement but only to the extent that the capacity so released is acquired by another Shipper ("Replacement Shipper") pursuant to the provisions of this Section 26.1. Any such release shall result in a temporary suspension of the Releasing Shipper's right to use the released firm entitlements. In the case of segmented capacity releases, for the MDQ and MHQ released, the upstream segment Shipper shall be permitted to nominate as a secondary point all points both upstream of the receipt point and in the same direction as the Releasing Shipper's Primary Route, and the downstream segment Shipper shall be permitted to nominate as a secondary point all points both downstream of the delivery point and in the same direction as the Releasing Shipper's Primary Route, provided that the nominations of the Releasing and Replacement Shippers do not result in an overlap with another capacity release transaction.

(b) **Released Capacity.** Released Capacity shall be made available on a basis that is not unduly discriminatory, and any Replacement Shipper shall be entitled to acquire Releasing Shipper's capacity subject to the terms and conditions under this Section 26.1, provided the Replacement Shipper meets all provisions governing eligibility under this Tariff in a timely manner. A Replacement Shipper shall be entitled to release acquired capacity to another Replacement Shipper, subject to the requirement that the original Replacement Shipper satisfies all of the provisions of this Section 26.1 as if such Replacement Shipper were a Releasing Shipper, and the new Replacement Shipper meets all provisions governing eligibility under this Tariff in a timely manner, provided, however, that a Replacement Shipper that acquired released capacity through a volumetric bid shall not be entitled to re-release that capacity.

(c) **Term.** Any release under this Section 26 shall not extend beyond the expiration of the initial primary term of the Agreement that is released.
(d) Recall / Reput Rights.

(1) Recall Provisions.

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

The Releasing Shipper shall provide capacity recall notification to Transporter via 1LineSM. 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.

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

Timely Recall Notification:

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

Early Evening Recall Notification:

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

Evening Recall Notification:

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

Intraday 1 Recall Notification:

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

Intraday 2 Recall Notification:

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

Intraday 3 Recall Notification:

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

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

Transporter’s notices of recalled capacity to all affected Replacement Shippers shall be provided via 1LineSM, along with
written notice via e-mail communication to the individual the Replacement Shipper identified in the Replacement Shipper's bid submitted pursuant to Section 26.1(h) 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 Transporter, each affected Replacement Shipper shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Shipper will be solely responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall. Replacement Shippers involved in re-release transactions may receive notice slightly after the first Replacement Shipper receives notice. The recalling Releasing Shipper may nominate the recalled capacity consistent with the applicable nomination cycle, pursuant to Section 4 of these General Terms and Conditions.

If, on the day of a partial day recall, the quantity of gas delivered to the Replacement Shipper is in excess of the MDQ remaining on the replacement contract after the partial day recall and/or the quantity of gas delivered to the Releasing Shipper that recalled the capacity is in excess of the MDQ recalled by the Releasing Shipper, then the Shipper(s) to whom such excess gas is delivered will be charged the applicable Usage-2 Rate pursuant to Section 3.2(b) of Rate Schedule FTS on such excess quantities of gas in addition to all other applicable charges.

(2) Partial Day Recall Quantity.

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

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

(ii) The difference between the quantity released by the Releasing Shipper and the Elapsed Prorata Capacity; or

(iii) The difference between the quantity released by the Releasing Shipper and the quantity actually delivered to the Replacement Shipper within the limitations of the MHQ.

In the recall notification provided to Transporter by the Releasing Shipper, 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, Transporter shall determine the allocation of capacity between the Releasing Shipper and the Replacement Shipper(s) based upon the Elapsed Prorata Capacity only in the case of (ii) above. The amount of capacity allocated to the Replacement Shipper(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, Transporter shall not be obligated to deliver a combined quantity to the Releasing Shipper and the Replacement Shipper(s) that is in excess of the total daily contract quantity of the release.

(3) Reput Provisions.

Transporter shall support the function of reputting by the Releasing Shipper. The Releasing Shipper may reput previously recalled capacity to the Replacement Shipper pursuant to the reput rights and methods identified in the Releasing Shipper's notice to release capacity, as required by Section 26.1(g)(10) below. When capacity is recalled, such capacity may not be reput for the same Gas Day. The deadline for the Releasing Shipper to notify Transporter of a reput of capacity is 8:00 a.m. to allow the Replacement Shipper to submit timely nominations for gas to flow on the next Gas Day.

(e) Bidding Period. Releasing Shipper may specify the date and time that the Bidding Period starts and the date that the Bidding Period ends, provided, however, that the Bidding Period shall not commence or end any later than the times set forth in Section 26.1(f) below. Releasing Shipper's offer shall be posted for the Bidding Period; provided, however, that the Releasing Shipper shall have the right to withdraw such offer before the end of the Bidding Period where unanticipated circumstances so justify and a notice of withdrawal of the offer is posted on 1LineSM or submitted in writing prior to the receipt of any valid bids for such capacity. Offers should be binding until notice of withdrawal is received by Transporter via 1LineSM. Transporter should post offers and bids, including prearranged deals, upon receipt. A releasing Shipper may request a later posting time for posting of such offer, and Transporter should support such request insofar as it comports with the standard Capacity Release timeline specified in Section 26.1(f) below.
(f) The following 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 Shipper has been determined to be creditworthy before the capacity release bid is tendered, (2) for index-based capacity release transactions, the Releasing Shipper has provided Transporter 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. Transporter may complete the capacity release process on a different timeline if the offer includes unfamiliar or unclear terms and conditions (e.g., designation of an index not supported by Transporter).

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

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season 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.

(2) For biddable releases (more than one (1) year):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season 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 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.

For non-biddable releases:

- 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.

- 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.

(g) Required Information for the Release of Capacity. The Releasing Shipper shall submit the following information, objectively stated and applicable to all potential Shippers on a non-discriminatory basis, to Transporter via 1LineSM:

1. The Releasing Shipper's legal name, contract number, and the name, title, address, e-mail address and phone and fax number of the individual who will authorize the release of capacity for the Releasing Shipper.

2. Whether the capacity is biddable.

3. The level of daily firm entitlements that the Releasing Shipper elects to release, expressed as a numeric quantity per Day for transportation, which will be displayed in the 1LineSM posting for prospective Replacement Shippers as the available MDQ and associated MHQ.

4. The Primary Route(s) or segment within such Primary Route(s), and quantity to be released.
(5) The requested effective date and the term of the release.

(6) The minimum acceptable period of release and minimum acceptable quantities (if any).

(7) The Releasing Shipper's maximum reservation rates (including any demand type surcharges, direct bills, or similar mechanisms), any minimum rate requirement, and whether bids are to be submitted on a reservation or volumetric basis. The Releasing Shipper shall specify which one of the following methods is acceptable for bidding on a given capacity release offer:

- Non-Index-based release – dollars and cents,
- Non-Index-based release – percentage of maximum rate, or
- Index-based formula as detailed in the capacity release offer.

The bids for the given capacity release offer shall adhere to the method specified by the Releasing Shipper. The maximum and minimum rates may separately identify surcharges and direct bills, or such amounts can be included in the total rate. For purposes of this Section 26, the maximum reservation rate(s) for Shipper paying a negotiated rate will be deemed to be the maximum rate(s) as set forth on the Statement of Capacity Release Rates. For releases that become effective on or after July 30, 2008, any maximum and/or minimum rate specified by the Releasing Shipper can 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 Transporter is notified of the release.

(8) Whether the Releasing Shipper is requesting that Transporter actively market the capacity to be released.

(9) The legal name of the Replacement Shipper that is designated in any pre-arranged release ("Pre-arranged Replacement Shipper").

(10) Whether the capacity is to be released on a recallable basis, and, if so, (i) the terms and conditions of such recall, including whether it is recallable on a full day or a partial day basis, (ii) whether the Releasing Shipper's recall notification must be provided exclusively on a Business Day, (iii) which recall notification period(s), as identified in Section 26.1(d) above, will be available for use by the parties, and (iv) whether the Releasing Shipper is authorized to Repute the release if and when it notifies Transporter
that the recall is no longer in effect; or whether the capacity is to be released on a permanent basis.

(11) Whether the capacity to be released is contingent on the release of other capacity, or on certain terms and conditions, and if so, the capacity, terms and/or conditions upon which the release is contingent.

(12) The terms and conditions under which Releasing Shipper will accept contingent bids, including bids that are contingent upon the Replacement Shipper acquiring transportation on a pipeline interconnected to Transporter, the method for evaluating contingent bids, what level of proof is required by the contingent bidder to demonstrate that the contingency did not occur, and for what time period the next highest bidder will be obligated to acquire the capacity if the next winning contingent bidder declines the release.

(13) Whether the Releasing Shipper will require the Replacement Shipper to post a deposit, not to exceed the amount required by Transporter pursuant to Section 26.2, to guard against payment defaults if Transporter waives the deposit requirement contained in Section 26.2. Such deposit will be paid by the Replacement Shipper to Transporter at the time specified in Section 26.2, and will be credited against the Replacement Shipper's invoices until fully utilized.

(14) Any other reasonable and not unduly discriminatory terms and conditions to accommodate the release, including provisions necessary to evaluate bids and tie breaking criteria, provided, however, only the following methodologies are required to be supported by Transporter and provided to Releasing Shippers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are: (1) highest rate, (2) net revenue and (3) present value. For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. Other choices of bid evaluation methodology (including other Releasing Shipper defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of Transporter. However, Transporter is not required to offer other choices of similar timeline treatment for other choices, nor is Transporter held to the timeline should Releasing Shipper elect another method of evaluation.
(15) Any restriction on the use of higher rate Secondary Points, or any requirement that the Replacement Shipper reimburse the Releasing Shipper for any incremental charges assessed by Transporter for use of Secondary Points by the Replacement Shipper.

(16) 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-regulated 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.

(17) Any other additional information that Transporter deems necessary, from time to time, to effectuate releases hereunder.

Transporter shall not be liable for information provided by Shipper to Transporter, including any such information that is posted on 1LineSM.

(h) Open Bidding Process. Prospective Shippers wishing to acquire capacity available for release ("Bidding Shipper"), shall place a bid on 1LineSM for the available capacity during the Posting Period. If such bid is not expressly labeled contingent, such bid shall be binding. The bid shall contain the following information:

(1) The Bidding Shipper's legal name and the name, title, address, phone number and e-mail address of the individual who will authorize the acquisition of the available capacity.

(2) The level of daily firm entitlements that the Bidding Shipper requests and the minimum quantity it will accept.

(3) The requested effective date and the term of the acquisition.

(4) The Bidding Shipper's bid, addressing all criteria required by the Releasing Shipper. The Bidding Shipper shall be entitled to withdraw its bid either via 1LineSM, prior to the end of the bidding period. Bidding Shipper cannot withdraw its bid after the Bidding Period ends. If Bidding Shipper withdraws its bid, it may not resubmit a lower bid. If Bidding Shipper submits a higher bid, lower bids previously submitted by Bidding Shipper will be
automatically eliminated. A Bidding Shipper may have only one valid bid posted. Transporter shall post all information provided by Bidding Shippers, except the information provided in Section 26.1(h)(1), above. No bid shall exceed the maximum applicable Recourse Rates, in addition to any and all applicable fees and surcharges, as specified in this Tariff; provided, however, for releases that become effective on or after July 30, 2008, the rate specified by the Bidding Shipper 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 Transporter is notified of the release. The quantity or the requested term of the release of such bid shall not exceed the maximum quantity or primary term specified in the executed Agreement.

(i) Pre-Arranged Release. Releasing Shipper shall have the right to elect not to post a release for bidding (1) if the proposed capacity release has a duration of thirty-one (31) days or less, (2) for proposed capacity releases with a term of more than one (1) year at the maximum Recourse Rate, (3) for any release of capacity to an asset manager (as defined in Section 284.8(h)(3) of the Commission's regulations), or (4) for any 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. If Releasing Shipper exercises such right, Releasing Shipper must notify Transporter pursuant to Section 26.1(f), and the Replacement Shipper shall adhere to the requirements set forth in Section 26.2. 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 26.1(g) above, regardless of the proposed rate. Transporter will support the creation of prearranged deals on the 1LineSM.

(j) Matching Rights. A Prearranged Replacement Shipper shall have matching rights for the time period set forth in Section 26.1(f) following the time the Prearranged Replacement Shipper has been notified of the winning bid ("Matching Period"). In the event a higher bid is received, Transporter shall notify the Prearranged Replacement Shipper via 1LineSM of the terms and conditions of the higher bid by the deadline specified in Section 26.1(f). Prearranged Replacement Shipper will have an opportunity during the Matching Period specified in Section 26.1(f) to match such higher bid by responding via 1LineSM prior to the end of the Matching Period. Absent a response from the Prearranged Replacement
Shipper prior to the end of the Matching Period, the capacity shall be awarded to the higher Bidding Shipper in accordance with Section 26.1(k) below.

(k) Awarding of Capacity Available for Release. Capacity will be awarded in accordance with the timelines set forth in Section 26.1(f) above. The capacity available for release shall be awarded to the Bidding Shipper with the highest bid matching all terms and conditions provided by the Releasing Shipper. In the case of multiple bid winners, the highest ranking bid will receive the entire maximum amount of capacity bid. The next highest bidder will receive the remainder of the offered capacity provided that the amount remaining is above the bidder's minimum acceptable quantity. Any remaining capacity will be given to the next highest bidder under the same provisions as above. This process will repeat until either all of the offered capacity is awarded or the remaining capacity falls below either the Releasing Shipper's minimum quantity or all the remaining bidder's acceptable quantities. If bids are received that do not match all the terms and conditions provided by the Releasing Shipper, bids will be evaluated by the criteria provided by the Releasing Shipper. If no criteria are provided by the Releasing Shipper, the Bidding Shipper bidding the greatest NPV shall be awarded the capacity. If more than one such bid has an equal NPV, then the capacity shall be awarded on a first come, first served basis.

Transporter shall not award capacity release offers to the Replacement Shipper until and unless the Replacement Shipper meets Transporter's creditworthiness requirements applicable to all services that it receives from Transporter, including the service represented by the capacity release.

(l) Remaining Capacity. In the event that a Releasing Shipper does not release all of its firm entitlements, the Releasing Shipper shall remain responsible for the remaining entitlements and is entitled to utilize the remaining entitlements with the MDQ and MHQ reduced accordingly by the released capacity quantities.

(m) No Rollover. 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 26.1, a Releasing Shipper may not rollover, extend, or in any way continue the capacity release to the same Replacement Shipper which utilizes the same capacity or overlaps such capacity using the thirty-one (31) Days or less bidding exemption described in Section 26.1(i)(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 Shipper that is posted for bidding or that
qualifies for any of the other exemptions from bidding described in Section 26.1(i) above.

(ν) Obligations of Replacement or Prearranged Shippers. The Replacement or Prearranged Shipper must satisfy all other provisions of this Tariff governing Shipper eligibility and must execute all required agreements and acknowledgements before it may contract with Transporter for the released capacity. In addition, as a pre-requisite to becoming a Replacement or Prearranged Shipper, a party must have been placed by Transporter on Transporter's pre-approved bidder list that is posted on 1LineSM. To be placed on such list, a party must have been accepted by Transporter as satisfying the credit standards of Section 28 of these General Terms and Conditions, must have executed a Master Service Agreement and must continue to satisfy the credit standards of Section 28 when its bid is made and accepted or it is offered as a Prearranged Shipper, as applicable. Transporter shall process requests for credit approval with diligence. Any previously listed party that fails to continue to satisfy the standards of Section 28 shall be deleted from the list. Transporter will waive the credit requirements of Section 28 on a non-discriminatory basis for Replacement or Prearranged Replacement Shipper and permit such Replacement or Prearranged Shipper to submit bids, if the Releasing Shipper provides Transporter with a guarantee or other form of credit assurance in form and substance satisfactory to Transporter of all financial obligations of the Replacement or Prearranged Replacement Shipper with respect to the capacity being released by Releasing Shipper prior to the commencement of service to the Replacement or Prearranged Replacement Shipper if the release is pre-arranged and not subject to bidding or prior to the close of the bid period if the release is subject to bidding requirements of this Section 26. Any bid submitted will legally bind the Replacement or Prearranged Shipper to the terms of the bid if Transporter chooses such bid as the Best Bid until notice of withdrawal is received by Transporter via 1LineSM. Once the Replacement or Prearranged Replacement Shipper is awarded capacity, the Replacement or Prearranged Shipper becomes an existing Shipper like any other Shipper and is subject to the applicable provisions of Transporter's Tariff, including, but not limited to, Transporter's billing and payment and operational provisions. In addition, the Replacement or Prearranged Replacement Shipper as an existing Shipper may also release its capacity pursuant to this Section 26. Nominations may be submitted upon the award of capacity, and such nominations will be processed in accordance with the nomination and scheduling requirements of Sections 4 and 6 of these General Terms and Conditions; provided, however, in no circumstances will gas flow prior to the effective date of the release as specified in the Releasing Shipper's Notice.
26 Master Service Agreement. All nominations, scheduling and billing will be done under the contract number provided in the Award Notice.

26.2 Obligations of the Parties.

(a) Contractual Obligations. All Replacement Shippers shall be required to comply with the provisions of Rate Schedule FTS and these General Terms and Conditions and to accept by a release all Transportation rights and obligations of the Releasing Shipper with respect to the capacity released, including, but not limited to, nominations and Primary Routes. Furthermore, the Releasing Shipper shall remain fully liable to Transporter for all reservation rates, including reservation type surcharges and direct bills, that were due under the Releasing Shipper's Agreement. In the event that the Replacement Shipper invoiced amounts for reservation rates are in arrears by 60 days or more, the Releasing Shipper shall be responsible for paying all such amounts with the next invoice rendered to the Releasing Shipper by Transporter.

(b) Billing. Pursuant to Sections 9 and 10, Replacement Shipper shall be billed for all reservation type charges contained within its bid and all usage charges according to Section 3 of Rate Schedule FTS.

(c) Credits. Except as otherwise agreed to between Transporter and Releasing Shipper, Releasing Shipper shall receive a credit against its Monthly Reservation Charges equal to the amount of reservation rates contained within the Replacement Shipper's bid subject to the obligations of Releasing Shipper under Section 26.2(a).

(d) Refunds. Releasing Shipper and any Replacement Shipper must track any changes in Transporter's rates approved by the Commission. In the event the Commission orders refunds of any such rates charged by Transporter and previously approved, Transporter and/or Releasing Shipper, as the case may be, must make corresponding refunds to such Releasing Shipper or any Replacement Shipper, to the extent that Releasing Shipper or Replacement Shipper(s) has paid a rate in excess of Transporter's just and reasonable, applicable maximum rates; provided, however, for releases that become effective on or after July 30, 2008, the rate paid by a Replacement Shipper in any capacity release transaction with a term of one (1) year or less which is not subject to the maximum rate cap will be deemed to be a final rate and is not subject to refund if the effective date of the release was on or before one (1) year from the date on which Transporter was notified of the release. Transporter shall assume no liability or responsibility whatsoever for the failure of the Releasing Shipper to comply with its obligations under this Section 26.2(d).
26.3 Posting of Purchase Offers. Transporter shall allow a potential Replacement Shipper to post offers to acquire released firm entitlements. Offers shall be posted for the time period specified by the potential Replacement Shipper, but not to exceed ninety (90) days. The offer must contain the following information:

(a) The potential Replacement Shipper's legal name and the name, title, address, phone number and e-mail address of the individual who will authorize the acquisition of the available capacity.

(b) The daily quantities of capacity which the potential Replacement Shipper requests.

(c) The Receipt Points and/or Delivery Points where capacity is requested, as applicable.

(d) The requested effective date and the term of the acquisition.

26.4 Marketing Fee. Transporter shall be entitled, upon Releasing Shipper's request, to actively market the capacity available for release on Releasing Shipper's behalf. Transporter and Releasing Shipper will negotiate the terms and conditions upon which Transporter will market the Releasing Shipper's capacity.

26.5 Permanent Releases. A Shipper which has a currently effective executed Agreement with Transporter under Transporter's Rate Schedule FTS may release its capacity to a Replacement Shipper for the remaining primary term of the contract and be relieved of all liability under its Agreement prospective from the effective date of such release, provided that the following conditions are satisfied:

(a) The Replacement Shipper executes a new Agreement under the applicable Rate Schedule;

(b) The Replacement Shipper agrees to pay the maximum Recourse Rates for service thereunder (unless otherwise agreed to by Transporter) and accepts all obligations of the Releasing Shipper;

(c) The Commission provides any necessary abandonment authorization for the service subject to such permanent release on or before the effective date thereof; and

(d) The Replacement Shipper meets all of the credit worthiness requirements contained in Section 28 of the General Terms and Conditions of Transporter's Tariff.
26.6 Transporter's Rights to suspend and/or Terminate Temporary Capacity Release Transactions.

(a) In the event of a temporary release for which: (i) the Releasing Shipper no longer maintains creditworthiness as outlined in Section 28 of Transporter's General Terms and Conditions and Transporter has terminated Releasing Shipper's Service Agreement; and (ii) the reservation charge specified in the applicable Award Notice is less than the level of the reservation charge which the Releasing Shipper was obligated to pay Transporter (or, if the Releasing Shipper is paying a negotiated rate, the sum of all reservation-type and commodity-type charges), then Transporter shall be entitled to terminate the service described in the Award Notice, upon 30 Days' written notice to the Replacement or Prearranged Shipper, unless the Replacement or Prearranged Shipper agrees, at its sole election, prior to the end of said 30-Day notice period to pay for the remainder of the term specified in the Award Notice one of the following: (i) the reservation and commodity charges at levels which the Releasing Shipper was obligated to pay Transporter, (ii) the applicable maximum tariff rate, or (iii) such rate as mutually agreed to by Transporter and Replacement or Prearranged Shipper.

(b) In the event of a temporary release for which the Replacement Shipper no longer satisfies Transporter's credit requirements as set forth in Section 28 of the General Terms and Conditions: (i) Transporter may notify the Releasing Shipper, without any liability or prior notice to Replacement Shipper, that the Replacement Shipper no longer meets the credit requirements of Transporter's Tariff; and (ii) subject to Transporter exercising its rights under Section 28 of the General Terms and Conditions to suspend and/or terminate such capacity release transaction, the firm capacity subject to the release transaction shall revert to Releasing Shipper immediately upon the effectiveness, and for the duration, of such suspension or permanently if the release transaction is terminated.

26.7 Notices to Releasing Shippers. Transporter shall provide the original Releasing Shipper with Internet E-mail notification reasonably proximate in time with any of the following formal notices given by Transporter to the Releasing Shipper's replacement Shipper(s), of the following:

(a) Notice to the Replacement Shipper regarding the Replacement Shipper's past due, deficiency, or default status pursuant to Transporter's tariff;

(b) Notice to the Replacement Shipper regarding the Replacement Shipper's suspension of service notice;
26.8 Index-based Capacity Release Transactions

(a) [Reserved for Future Use]

(b) For index-based capacity release transactions, Releasing Shipper must specify which one of the following methods is acceptable for bidding on a given index-based capacity release offer:

- 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 Transporter’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 Transporter’s maximum reservation rate, if applicable.

Releasing Shipper may specify another method in the special terms and conditions; however, the capacity release offer may not be processed within the capacity release timeline specified in Section 26.1(f) above.

(c) For index-based capacity release transactions, Transporter shall support a Rate Floor to be specified by Releasing Shipper in the capacity release offer.

(d) Unless otherwise specified in the Transporter’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 Transporter’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 Transporter’s maximum reservation rate, as applicable, Transporter’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 Transporter’s applicable maximum reservation rate or is less than the Rate Floor specified in the capacity release award, Transporter’s maximum reservation rate or the Rate Floor, respectively, shall apply.

(f) Transporter 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, Transporter shall support all price indices it references in its FERC Gas Tariff. In addition, Transporter shall evaluate those publicly available price index references requested by its Shippers 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 Transporter’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 Shipper holding capacity that can be released on Transporter’s system, Transporter, in consultation with its Shippers, 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. Transporter shall not unreasonably withhold agreement to such proposed changes. Such review should occur no more frequently than annually.

(3) Releasing Shippers requesting the use of price index references not supported by Transporter will be responsible for providing/maintaining adequate license(s)/subscription(s) for Transporter for such additional price index reference(s) such that Transporter 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 Transporter as referenced above. These price index reference(s) will then be supported by Transporter and available for index-based capacity release transactions for the duration of the license(s)/subscription(s) and their identity(ies) posted on Transporter’s Informational Postings Web site.

(4) Regarding paragraphs (2) and (3) above, Transporter reserves the right, in its own discretion, to review any license(s)/subscription(s) that would legally bind Transporter and to evaluate the legal propriety of same as it pertains to Transporter. Transporter 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 Transporter.

(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. Transporter’s support of any price index reference does not make it responsible for ensuring that Releasing Shipper(s) or Replacement Shipper(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 Shipper and Transporter, Releasing Shipper shall provide Transporter and Replacement Shipper with the detailed calculation of the reservation rate(s). Except as provided below, this rate(s) will be stated on the invoice provided by Transporter to Replacement Shipper pursuant to the capacity release award. The results of Releasing Shipper’s calculations shall conform to the capacity release award and/or to Transporter’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 26.8(j) below.

If the report is not provided by the applicable deadline above or is deficient, Transporter will notify Releasing Shipper to provide Transporter with a correct report within one Business Day. Thereafter, in the absence of a conforming report, Transporter will invoice Replacement Shipper the
greater of the Rate Default specified in the capacity release offer or the Rate Floor plus any differential specified in the capacity release award.

Upon notification to Transporter by both Releasing Shipper and Replacement Shipper 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 9 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 the capacity release offer), 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 Transporter’s maximum reservation rate, as applicable.

(i) For index-based capacity release transactions, Transporter shall support the ability of Releasing Shipper to specify in the capacity release offer 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 Shipper performs invoicing calculations pursuant to Section 26.8(g) above, Transporter shall provide allocated quantities to Releasing Shipper according to a mutually agreed upon timetable. Releasing Shipper shall have at least one Business Day to process the quantities prior to returning such invoicing information to Transporter in a tabular format.

Transporter shall provide the allocated quantities to Releasing Shipper in a tabular file to be described by Transporter. 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).
27. REQUESTS FOR SERVICE

27.1 Subject to any conditions set forth in the applicable Rate Schedules, this Article shall govern qualification for receipt of service under Rate Schedules FTS, ITS and PALS. Each request for firm Transportation Service by or on behalf of each proposed Shipper shall be accompanied by refundable earnest money in the form of either Wire Transfer or a check payable to Gulfstream Natural Gas System, L.L.C. in the amount of the lesser of (a) ten thousand dollars ($10,000), (b) the maximum reservation fee which would be due for the first two Months of service for such requested service, or (c) the maximum reservation fee that would be due for the term of the Agreement, which amount shall be applied, until fully used, against the first amounts due by Shipper to Transporter provided, however, that if an Agreement with Shipper is not executed such amount shall be refunded to Shipper. Requests for service may be submitted via 1Line℠ or in writing to:

Gulfstream Natural Gas System, L.L.C.
2701 Rocky Point Drive, Suite 1050
Tampa, FL  33607
Attention: Marketing Department

(a) The request for service shall contain the following information:

(1) Shipper's legal name in full.

(2) Shipper's mailing address for notices and billing.

(3) Shipper's street address if different from above.

(4) The name(s), telephone number(s) and fax number(s) of Shipper employees responsible for nominations and/or dispatching.

(5) The name(s), telephone number(s) and fax number(s) of Shipper employees responsible for payment of invoices.

(6) The name(s), telephone number(s) and fax number(s) of Shipper employees responsible for other matters.

(b) Type of service requested.

(c) Requested MDQ for FTS and applicable quantities for ITS and PALS.

(d) Requested Maximum Hourly Flow Rate for FTS.
27. Requests For Service

27.1 Shipper's request for service shall contain the following information:

(e) Estimated total quantities of Gas to be received and transported during the term of the contract.

(f) Requested date of commencement of service.

(g) Requested term of service (if applicable).

(h) Requested Receipt Point(s) and Delivery Point(s) and point quantities (where applicable).

(i) Whether new facilities are needed in order to provide the new service.

27.2 Request Validity. Shipper's request for service shall be considered null and void if Transporter has tendered an Agreement for execution to Shipper and Shipper fails to execute the Agreement and return it to Transporter within five (5) Business Days thereafter. In determining whether it is feasible to tender an Agreement, after provision for existing requirements on Transporter's system, operating constraints and pending requests for service, Transporter will not be obligated to tender a firm Agreement which relates to requests for service for which it does not have sufficient available capacity. In addition, Transporter shall not be required to tender an Agreement for service which Shipper cannot begin within thirty (30) Days after the date the request is made pursuant to Section 27.1 of these General Terms and Conditions, or such other period as the parties may agree to in writing.

27.3 Information: Any person may request information on the pricing or other terms of Service and/or capacity availability by contacting Transporter at the following:

Gulfstream Natural Gas System, L.L.C.
2701 N. Rocky Point Drive, Suite 1050
Tampa, FL 33607

Information regarding Transporter's maximum and minimum rates, and general announcements pertaining to transportation services will be made available by electronic means on a twenty-four hour basis on 1LineSM.
27.4 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 of the term of an agreement identified below.

<table>
<thead>
<tr>
<th>Customer Name</th>
<th>Contract Number</th>
<th>Rate Schedule</th>
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<tr>
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<td>9006487</td>
<td>FTS</td>
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<td>9035943</td>
<td>FTS</td>
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<td>ITS</td>
<td>03/01/2004</td>
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<td>06/01/2005</td>
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<td>ITS</td>
<td>10/31/2005</td>
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<td>Lakeland, Florida, City of</td>
<td>9034863</td>
<td>FTS</td>
<td>04/01/2006</td>
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<td>9000062</td>
<td>FTS</td>
<td>06/01/2002</td>
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<td>Tampa Electric Company</td>
<td>9024996</td>
<td>FTS</td>
<td>08/01/2005</td>
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</table>

27.5 Extension of Service Agreements. Prior to the expiration of the term of an effective Rate Schedule FTS service agreement and prior to Transporter posting the capacity associated with such service agreement as being available at a future date certain (whether such posting is associated with the Right of First Refusal process or such service agreement is terminating pursuant to its stated terms), Transporter and Shipper may mutually agree to an extension of the term of such service agreement as negotiated on a case-by-case basis in a not unduly discriminatory manner, and such mutual agreement shall be reflected in the execution of a superseding Rate Schedule FTS service agreement.
28. CREDITWORTHINESS

28.1 (a) Transporter shall not be required to (i) execute an Agreement providing for service under the applicable Rate Schedule for any Shipper who fails to meet Transporter's standards for creditworthiness, or (ii) initiate service for a Shipper who fails to meet Transporter's standards for creditworthiness, or (iii) continue service for any Shipper who is or has become insolvent or who, at Transporter's request, fails within a reasonable period to demonstrate creditworthiness pursuant to Transporter's standards.

(b) To permit Transporter to conduct a creditworthiness review, a Shipper shall, upon request by Transporter, render to Transporter: (i) complete and current financial statements, including annual reports, 10K reports or other filings with regulatory agencies, prepared in accordance with generally accepted accounting principles, or for non U.S.-based Shippers, prepared in accordance with equivalent principles; (ii) a list of corporate affiliates, parent companies and subsidiaries; and (iii) any credit reports from credit reporting agencies which are available. In addition to the establishment of creditworthiness: (i) Shipper must not be operating under any chapter of the bankruptcy laws and must not be 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; (ii) Shipper should not be subject to the uncertainty of pending liquidation or regulatory proceedings which could cause a substantial deterioration in its financial condition, a condition of insolvency, or the inability of Shipper to exist as an ongoing business entity; (iii) if Shipper has an ongoing business relationship with Transporter, no undisputed delinquent balances should be consistently outstanding for any services performed previously by Transporter, and Shipper must have paid its account in the past according to the credit terms and contract provisions and not made deductions or withheld payment for claims not authorized by contract; and (iv) no significant collection, lawsuits or judgments are outstanding which would adversely impact the ability of Shipper to remain solvent.

(c) For purposes of 28.1(b), the insolvency of a Shipper shall be presumed by the filing by such Shipper or any parent entity thereof of a voluntary petition in bankruptcy or the entry of a decree or order by a court having proper jurisdiction adjudging the Shipper or any parent entity thereof bankrupt or insolvent. The insolvency of a Shipper shall also be presumed by the filing by the Shipper or its parent entity of a voluntary or involuntary proceeding, reorganization, receivership, liquidation, a debt reduction procedure, assignment for the benefit of creditors, formal or
informal creditor restructuring agreement, or the filing of any case under the United States Bankruptcy Code, or any other applicable federal or state law.

(d) If any of the events or actions described in Section 28.1(c) above, shall be initiated or imposed during the term of service hereunder, Shipper shall provide notification thereof to Transporter within two (2) Business Days of any such initiated or imposed event or action.

28.2 Credit Requirements for long-term Shippers (contracts greater than 1 year). Shipper shall at all times comply with one of the following credit worthiness requirements:

(a) Shipper (or an affiliate which guarantees Shipper's obligations under the Agreement) has an investment grade credit rating for its long term senior unsecured debt from Moody's Investor Service of Baa3 or better or from Standard & Poor's of BBB- or better. A Shipper who qualifies under this category initially but is later downgraded below such investment grade will be required to qualify under another category below.

(b) A Shipper whose long term senior unsecured debt does not have an acceptable rating as set forth in Section 28.2(a) above will be accepted as creditworthy if (i) Transporter determines that, notwithstanding the absence of an acceptable rating, the financial position of Shipper (or an affiliate who guarantees Shipper's obligations under the Agreement) is acceptable to Transporter and its lenders; or (ii) the Shipper provides an irrevocable letter of credit in an amount equal to twelve (12) months of estimated reservation charges under the Agreement; provided that such amount shall be adjusted annually to reflect any change in the estimated reservation charges under the Agreement for the succeeding twelve (12) months or (3) Shipper provides other security acceptable to Transporter and its lenders, each acting reasonably.

28.3 Credit Requirements for short-term Shippers (contracts less than 1 year). Shipper shall establish credit in accordance with Section 28.2.

(a) If a Shipper fails to establish creditworthiness as provided in Section 28.2, Shipper may still receive Transportation Service if, and only if, Shipper furnishes and maintains in effect one of the following at Shipper's discretion and acceptable to Transporter: (i) a written guarantee for unconditional payment from a third party which is creditworthy as determined above; or (ii) an irrevocable standby letter of credit; or (iii) a prepayment amount equal to the amount which would be charged to Shipper for six (6) month's service or the term of service, whichever is less, plus an amount equal to the three highest cashout payments, if any
incurred during the previous twelve months, plus an amount equal to the cost of gas associated with any lending requirements requested under Rate Schedule PALS (if no prior history exists between the parties, Transporter shall determine the amount of advance payment hereunder to be deposited with Transporter) or (iv) other security acceptable to Transporter.

(b) If a Shipper fails to maintain creditworthiness, as determined by Transporter in accordance with Sections 28.2 or 28.3(a), Shipper may continue to receive service for fifteen (15) days after written notice from Transporter of such failure, provided, however, that Shipper furnishes and maintains in effect one of the following at Shipper's discretion and acceptable to Transporter: (i) a written guarantee for unconditional payment from a third party which is creditworthy as determined above; or (ii) an irrevocable standby letter of credit; or (iii) an amount equal to the amount which would be charged to Shipper for six (6) month's service or the term of service, whichever is less, plus an amount equal to the three highest cashout payments, if any incurred during the previous twelve months, plus an amount equal to the cost of Gas associated with any lending requirements requested under Rate Schedule PALS; or (iv) other security acceptable to Transporter. If Shipper fails to provide Transporter with the appropriate credit under this Section 28.3(b) within such fifteen (15) day notice period, then Transporter may, without waiving any rights or remedies it may have, and subject to any necessary authorizations, suspend further service until Shipper's compliance with 28.2(b) is obtained, provided, however, that if compliance is not made within the first ten (10) days of such suspension period, Transporter shall no longer be obligated to continue to provide service to such Shipper.

(c) Transporter's credit appraisal procedures involve the establishment of dollar credit limits on a standardized nondiscriminatory basis which appraisal shall consider a number of relevant factors including but not limited to the cost of constructing any applicable facilities. To the extent that a Shipper's account(s) with Transporter do not exceed such limits and/or provided no new information regarding Shipper's financial or business position becomes known to Transporter, no new credit approval shall be necessary for Shipper's existing Agreement(s) unless subsequently amended; provided however, that Transporter shall have the right, with Shipper's assistance and cooperation, to update Shipper's credit file at any time.
29. **RIGHT OF FIRST REFUSAL**

29.1 *Purpose.* The purpose of this Section 29 is to provide the necessary information pertaining to the right of long-term firm Shippers to continue firm Transportation Service at the expiration of their Agreements by exercising a right of first refusal.

29.2 *Eligibility.* Any Shipper with a firm Agreement under a Part 284 Rate Schedule with an initial term of greater than two (2) years must give notice to the Transporter that Shipper desires to continue its Agreement at least two years in advance of the end of the primary term of the Agreement, and any Shipper with a firm Agreement under a Part 284 Rate Schedule with a primary term of (i) at least twelve (12) months of consecutive Transportation Service, or (ii) firm Transportation Service Agreements with a primary term of more than one (1) year for service which is not available for twelve (12) consecutive months ("seasonal contracts") must give notice to Transporter that Shipper desires to continue its Agreement at least six (6) months in advance of the end of the primary term of the Agreement. Shipper also must agree that it will match (a) the longest term, up to the maximum term allowed by the Commission, and (b) the highest rate for such Service, up to the maximum Recourse Rate, that is offered by any other person desiring such capacity; provided, however, that Transporter shall not be obligated to provide service at less than the maximum Recourse Rate(s). A Shipper paying a negotiated rate which exceeds the maximum Recourse Rate will be considered for purposes of this Section 29.2 to be paying the maximum rate as set forth on the Statement of Transportation Rates. Failure of the Shipper to give the notice specified will constitute a waiver of the Shipper's right of first refusal.

29.3 *Procedure.*

(a) Transporter shall notify Shipper no later than three (3) Months prior to the expiration of the Agreement whether any outstanding bona fide offers exist for Transporter's capacity at a higher rate and/or for a longer term which could be satisfied by the relinquishment of Shipper's capacity. Offers will be deemed bona fide if made in compliance with Section 27 of these General Terms and Conditions. Any party that has an outstanding request for firm service under Section 27 of these General Terms and Conditions shall be notified and given the opportunity to specify the rate and term it is willing to offer for Shipper's capacity. If Transporter has received any such offers, Transporter shall inform Shipper of the rate, up to the maximum rate, and the term, up to a maximum time allowable by the Commission, that has been offered for Shipper's capacity. Shipper shall notify Transporter within ten (10) Business Days after notification whether it desires to match the rate and term offered, and, if so, to provide a binding commitment in writing to
Transporter to execute a contract containing said terms within the next thirty (30) Business Days.

(b) If Transporter does not notify Shipper of the existence of any offers for Shipper's capacity under Section 29.3(a), Transporter and Shipper may negotiate the terms and conditions of a new Agreement; provided, however, that in no event shall Shipper have any automatic right to renew service at a negotiated or discounted rate; provided further, however, Shipper may select the term of the Agreement after agreeing to pay maximum rates, and all applicable surcharges.
30. INCORPORATION IN RATE SCHEDULES AND AGREEMENTS

These General Terms and Conditions are incorporated in and are a part of Transporter's Rate Schedules and Agreements. To the extent there is any inconsistency between terms in these General Terms and Conditions and terms in Transporter's Rate Schedules or Agreements, these General Terms and Conditions shall govern.
31. NEGOTIATED RATES

31.1 Availability. Notwithstanding anything to the contrary contained in this Tariff, Transporter and Shipper may mutually agree to a negotiated rate and contract term for all or any portion of the capacity under any Part 284 Agreement, provided that Shipper has not acquired its capacity under the capacity release provisions of Section 26. If only a portion of the capacity under any Agreement will be priced at negotiated rates, the original Agreement must first be bifurcated, and the existing maximum or discounted recourse rates will continue to apply to the Agreement not subject to the negotiated rates. If Transporter and Shipper fail to agree to a negotiated rate, Shipper may receive service at the applicable maximum tariff rates, including surcharges, for service under the Rate Schedule applicable to the service.

31.2 Filing Requirement. Transporter will submit to the Commission a Statement of Negotiated Rates stating the exact legal name of the Shipper, the negotiated rate, the rate schedule, the contract term, the Receipt Point(s), Delivery Point(s), the MDQ, the MHQ and where applicable, the exact formula underlying a negotiated rate for any negotiated rate agreement. Unless Transporter executes and files a non-conforming Agreement, such Statement of Negotiated Rates will contain a statement that the negotiated rate agreement does not deviate in any material respect from the Form of Service Agreement in the Tariff for the applicable Rate Schedule.

31.3 Limitations. This Section 31 does not authorize Transporter to negotiate terms and conditions of service.

31.4 Right of First Refusal. For purposes of exercising rights to continue service pursuant to Section 29 of these General Terms and Conditions, the highest rate that a Shipper must match if it desires to retain all or a portion of its capacity, and continue to receive firm service under the same rate schedule beyond the expiration date of such long-term firm Agreement, is the recourse rate for such service.

31.5 Accounting Treatment. Transporter shall maintain a separate account within Account 495, Other Operating Revenues, for recording all revenues associated with charging negotiated rates. Transporter shall record each volume transported, billing determinant, rate component, surcharge, and the revenue associated with its Negotiated Rates so that this information can be filed, separately identified, and separately totaled, as part of and in the format of Statements G, I, and J in Transporter's next Section 4 rate case.
32. NORTH AMERICAN ENERGY STANDARDS BOARD ("NAESB") STANDARDS

Compliance with 18 CFR, Section 284.12

Transporter 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 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, Transporter 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 Transporter includes appropriate citations in the submission.

Transporter 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, Transporter incorporates the following: © 1996 – 2017 NAESB, all rights reserved.

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Standards:
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Data Sets:
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Definitions:
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Standards:
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2.3.25, 2.3.27, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.48, 2.3.50, 2.3.51, 2.3.52,
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3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26

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4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20

Standards:
4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.19, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25,
4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36,
4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48,
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4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91,
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Definitions:
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10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17, 10.2.18, 10.2.19,
10.2.20, 10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26, 10.2.27, 10.2.28,
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Standards for which Waiver of Extension of Time to Comply have been granted

NAESB WGQ
Standard No. Waiver or Extension of Time

Storage Information:
None

Nominations Related Standards:
None

Flowing Gas Related Standards:
2.4.17 Extension of Time
2.4.18 Extension of Time
Invoicing Related Standards:
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Capacity Release Related Standards:
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33. DEFAULT AND TERMINATION

33.1 Except where different procedures for termination of an Agreement are expressly provided in the General Terms and Conditions, if Transporter or Shipper shall fail to perform any of the covenants or obligations imposed upon it under any Agreement into which these General Terms and Conditions are incorporated, then in such event the other party may, at its option, terminate such Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default stating specifically the default under the Agreement and declaring it to be the intention of the party giving the notice to terminate such Agreement; thereupon the party in default shall have 30 Days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the default notice and if within the said 30 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 default, then such default notice shall be withdrawn and the Agreement shall continue in full force and effect.

33.2 In the event the party in default does not so remedy and remove the cause or causes, or does not indemnify the party giving the default notice for any and all consequences of such default within the said period of 30 Days, then, after any necessary authorization by regulatory bodies having jurisdiction, at the option of the party giving such default notice, the Agreement shall terminate.

33.3 Any termination of the Agreement pursuant to the provisions of this Section 33 shall be without prejudice to the right of Transporter to collect any amounts then due to it for Gas delivered or service provided prior to the date of termination, and shall be without prejudice to the right of Shipper to receive any Gas which it has not received but the Transportation of which has been paid prior to the date of termination, and without waiver of any other remedy to which the party not in default may be entitled for breaches of the Agreement.
34. STANDARDS OF CONDUCT COMPLIANCE PROCEDURES.

34.1 Complaints: In the event that a Shipper or potential Shipper has a complaint relative to service under this Tariff, the Shipper shall:

(a) Provide a description of the complaint, in writing, including the identification of the Transportation request (if applicable), communicated to:

Gulfstream Natural Gas System, L.L.C.
2701 N. Rocky Point Drive, Suite 1050
Tampa, FL 33607
Attention: P. Martin Teague,
Associate General Counsel
Telephone: 813-282-6605

(b) Transporter shall respond to a complaint within 48 hours, and in writing within thirty (30) Days advising Shipper or potential Shipper of the disposition of the complaint. In the event the required date of Transporter's response falls on a Saturday, Sunday, or a holiday that affects Transporter, Transporter shall respond by the next Business Day.

34.2 Informational Postings

All information required to be posted pursuant to the Commission's currently effective Standards of Conduct regulations will be provided on 1LineSM under Informational Postings. Such information will be updated as required by applicable regulation(s) issued by the Commission.
35. LIMITATION OF LIABILITY OF MEMBERS AND OPERATOR

Shipper acknowledges and agrees that (a) Transporter is a Delaware limited liability company; (b) Shipper shall have no recourse against any member of Transporter with respect to Transporter's obligations under any Agreement and its sole recourse shall be against the assets of Transporter, irrespective of any failure to comply with applicable law or any provision of any Agreement; (c) no claim shall be made against the company operating the business and physical operations of Transporter or its members or the officers, employees, and agents of operator or its members (collectively "Operator"), under or in connection with any Agreement and the performance by Operator of its duties as Operator (provided that this provision shall not bar claims resulting from the gross negligence or willful misconduct of the Operator) and Shipper shall provide the Operator with a waiver of subrogation of Shipper's insurance company for all such claims; and (e) this representation is made expressly for the benefit of the members in Transporter and the Operator.
36. **DISCOUNT POLICY**

Transporter may, but is not obligated to, offer service at rates less than the maximum Recourse Rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently effective usage rate. For example, Transporter and Shipper may agree that a specified discounted rate will apply: (a) only to certain specified firm service entitlements; (b) only if specified quantity levels are actually achieved (with higher rates, charges, and fees applicable to all quantities above those levels, or to all quantities if the specified levels are not achieved); (c) only during specified time periods; or (d) only to specified Receipt Points, Delivery Points, Transportation paths, or defined geographical areas; provided, however; that any such discounted rates set forth above shall be between the minimum and maximum rates applicable to the Service provided.

If Transporter has agreed to a discount with a Shipper receiving Transportation Service under an Agreement pursuant to Part 284 of the Commission's Regulations and the discount is limited to specific Point(s) of Receipt or Delivery or both, the Shipper may request that such discount apply to Transportation Service under said Agreement at a different Point of Receipt or Delivery accessible under said Agreement at which Transporter and the Shipper have not specifically agreed to the discounted rate. There is a rebuttable presumption that such discount shall apply at the requested point if Transporter at the time of the request is granting discounts to other similarly situated Shipper(s) receiving Transportation Service utilizing that point. However, Transporter can rebut this presumption by demonstrating that the proposed service to the Shipper is not similarly situated to the service receiving a discount at the requested point. Regardless of the discount granted by Transporter to any similarly situated Shipper at such requested point, if pursuant to this paragraph Shipper is granted a discount for Transportation at the requested point, Shipper shall pay the higher of its contractual discount rate or the discount rate provided to another Shipper utilizing the requested point.

On any Business Day, a Shipper receiving a discount at specific Point(s) of Receipt or Delivery or both under an Agreement may request a discount for service at a new point accessible under said Agreement by faxing a request to Transporter at a telephone number identified on the 1Line™ system at least two (2) hours prior to the nomination that would use the discount at the new point. Transporter shall respond to requests received between 6:30 A.M. CCT and 4:00 P.M. CCT on a Business Day within two (2) hours from the time the request is received. For requests received between 6:30 A.M. CCT and 4:00 P.M. CCT on a non-Business Day or after 4:00 P.M. on any day, Transporter shall respond by 8:30 A.M. CCT on the following Business Day. If Shipper has previously requested a discount to the same point and Transporter has not agreed, Transporter shall not respond to a renewed discount request unless rates for Transportation service applicable to that point have changed.
37. OFF-SYSTEM PIPELINE CAPACITY

From time to time, Transporter may enter into transportation and/or storage agreements with other interstate or intrastate pipeline companies (individually, an "off-system pipeline"). In the event that Transporter acquires capacity on an off-system pipeline, Transporter will use such capacity for operational reasons and will only render Transportation Service to Shippers on the acquired capacity pursuant to Transporter's Tariff and subject to Transporter's approved rates, as such tariff and rates may change from time to time. For purposes of Transportation Service on an off-system pipeline, the "shipper must have title" requirement is waived, permitting a Shipper utilizing such Service to have title to the Gas on such off-system pipeline.
38. PERMITTED SHARING OF NON-PUBLIC INFORMATION

Pursuant to FERC Order No. 787 and subject to the requirements of FERC Order No. 787, Transporter 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 Transporter’s or Electric Transmission Operator’s system. Transporter’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 Transporter’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 Transporter’s Informational Postings website.
FORM OF SERVICE AGREEMENTS

INDEX

DESCRIPTION/TITLE

1. FTS Service Agreement
2. ITS Service Agreement
3. PALS Service Agreement
4. Master Service Agreement-Capacity Release
5. Reserved for Future Use
FORM OF SERVICE AGREEMENT
For use under Transporter's Rate Schedule FTS

Date: __________________________, Contract No.__________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Gulfstream Natural Gas System, L.L.C. (Transporter) and ________________________________ (Shipper).

WHEREAS, Shipper has requested Transporter to transport Shipper's Gas on a firm basis and Transporter represents that it is willing to transport Shipper's Gas on a firm basis under the terms and conditions of this Agreement.

WHEREAS, [this and an additional clause(s) may be included to describe the historical or factual context of the Agreement, and/or to describe or define a precedent agreement, and other agreements if applicable, between Transporter and Shipper related to the Agreement and the facilities necessary to provide service under the Agreement]

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the transportation service to be provided and the rights and obligations of Shipper and Transporter.

1. Transportation service under this Agreement will be provided under Part 284G of the Commission's regulations.

2. RATE SCHEDULE FTS

3. CONTRACT DATA:

The Maximum Daily Quantity (MDQ) for service under this Agreement shall be ________.

The Maximum Hourly Quantity (MHQ) for service under this Agreement shall be ________.

The Primary Receipt Point(s), Primary Route (if applicable), and Receipt Point MDQ are listed on Exhibit A attached hereto and are incorporated herein as if copied and set forth herein at length.

The Primary Delivery Point(s) (if applicable), Delivery Point MDQ and Delivery Pressure are listed on Exhibit B attached hereto and are incorporated herein as if copied and set forth herein at length.

Applicable quantities shall be reduced for scheduling purposes, but not for billing purposes, by the Contract Quantities that Shipper has
4. TERM:

This Agreement shall be effective on ______________. Service under this Agreement shall commence 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, or a commencement date as defined in a precedent agreement between Shipper and Transporter] and shall continue until 9:00 a.m. CCT on ______________ to ______________ thereafter (not less than year to year for the secondary term for Agreements with a primary term of more than 1 year) until terminated by Transporter or Shipper upon at least ______ (not less than 2 years for agreements with a primary term of 2 years or more and not less than 1 year for agreements with a primary term of more than 1 year but less than 2 years) prior written notice (if Transporter and Shipper agree on a fixed term, the evergreen and notice of termination language shall be deleted) subject to the right of first refusal set forth in the tariff, if applicable, provided however, this Agreement shall terminate immediately and, subject to the receipt of necessary authorizations if any, Transporter may discontinue service hereunder if (a) Shipper, in Transporter's reasonable judgment fails to demonstrate creditworthiness, and (b) Shipper fails to provide adequate Security in accordance with Section 28 of the General Terms and Conditions, or (c) Shipper fails to restore imbalances from services rendered.

[For a Service Agreement entered into after June 1, 2005, with a primary term of 23 years or longer, add the following language, and for a Service Agreement in effect prior to May 2, 2005, with a primary term of more than one year, add the following language if Shipper notifies Transporter in writing of its desire to add such language within six months of the Commission approving such language without condition.] Notwithstanding any other provision in this Agreement, after the effective date of this Agreement, if as a result of an event of Force Majeure, Transporter is not able to deliver Shipper's scheduled quantities for a period of one hundred eighty-five (185) consecutive days during any three hundred sixty-five (365) consecutive day period and at the minimum delivery pressure specified on Exhibit B of this Agreement, then Shipper shall have the one-time right to terminate this Agreement or reduce the MDQ (with an associated reduction in the Primary Delivery Point MDQs specified on Exhibit B of this Agreement) of this Agreement upon sixty (60) days prior written notice. Such right must be exercised, if ever, no later than sixty (60) days following the end of the applicable Force Majeure event.

5. RATES:

Maximum rates, charges, and fees shall be applicable for the entitlements and quantities delivered pursuant to this Agreement unless Transporter has advised Shipper in writing that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the Maximum Recourse Rates, but Transporter may
agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently applicable Usage Rate. In the event Shipper and Transporter agree to a negotiated rate and specified term for service hereunder, provisions governing such negotiated rate and term shall be applicable, and shall be as specified in the written negotiated rate agreement between Shipper and Transporter and/or reflected on an appropriate Statement of Negotiated Rates filed as part of Transporter's Tariff.

It is further agreed that Transporter 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 Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper 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. Notwithstanding the foregoing, Transporter and Shipper agree not to initiate any proceeding before the FERC with respect to an increase or decrease in any negotiated rate during the term of such negotiated rate.

6. INCORPORATION BY REFERENCE:

The provisions of Transporter's Rate Schedule FTS and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. NOTICES:

Except as otherwise provided in the Tariff, all notices shall be in writing and mailed to the applicable address below or transmitted via facsimile. Shipper or Transporter may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

TRANSPORTER:
Gulfstream Natural Gas System, L.L.C.
2701 Rocky Point Drive, Suite 1050
Tampa, FL 33607
Attention: ______________________
Fax: ______________________

SHIPPER:
_________________________________ (Shipper Name)
_________________________________ (Address)
_________________________________ (City, State, Zip)
Attention: ______________________
Telephone: ______________________
Fax: ______________________
8. INTERPRETATION

The interpretation and performance of this Agreement shall be in accordance with the laws of the State of _____ without recourse to the law regarding the conflict of laws.

This Agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter, State and Federal, and to all valid present and future orders, rules and regulations of duly constituted authorities having jurisdiction.

9. CANCELLATION OF PRIOR CONTRACT(S)

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]

10. OPERATIONAL FLOW ORDERS:

Transporter has the right to issue effective Operational Flow Orders pursuant to Section 13 of the General Terms and Conditions.

[For a Service Agreement entered into after June 1, 2005, with a primary term of 23 years or longer, add the following Section 11, and for a Service Agreement in effect prior to May 2, 2005, with a primary term of more than one year, add the following Section 11 if Shipper notifies Transporter in writing of its desire to add such Section 11 within six months of the Commission approving such Section 11 without condition:]

11. LIMITED CONSENT TO ASSIGNMENT:

Subject to any necessary regulatory authorizations for the direct generation of electricity, Shipper shall have the assignment rights with respect to this Agreement as follows:

(a) Shipper may, upon notice to Transporter but without the need for Transporter's consent, assign all or part of its right, interest and obligations under this Agreement to any wholly-owned affiliate(s) of Shipper that has an investment grade credit rating from a nationally recognized credit rating agency (or that has been provided a guarantee in Transporter's favor from an affiliated entity with such a rating).

(b) In the event of a sale of a generating unit or units at any of Shipper's generating facilities which are supplied gas through the Transporter's gas transmission system, Shipper may, upon notice to Transporter but without the need for Transporter's consent, assign all or part of its right, interest and obligations under this Agreement (except for the assignment rights under this subparagraph (b)) to any third party (or parties) that: (i) has a credit rating from a nationally recognized credit rating agency equal to or better than Shipper's
but in no event less than investment grade, and (ii) purchases said generating unit or units.

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.

SHIPPER:_________________  TRANSPORTER: Gulfstream Natural Gas System, L.L.C.

By:______________________  By:______________________

Title:___________________  Title:___________________

Date:____________________  Date:____________________
EXHIBIT A
For Contract No. ____________

FORM OF SERVICE AGREEMENT
For use under Transporter's Rate Schedule FTS
(Continued)

BETWEEN GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
AND ________________________________

ORIGINAL CONTRACT DATE: _________________________________

EFFECTIVE DATE OF THIS EXHIBIT A (which supersedes and replaces any prior Exhibit A to this Agreement): __________________

Primary Receipt Points:

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PRIMARY ROUTE: _________________________________

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

By: _________________________________
Title: _________________________________
Date: _________________________________

SHIPPER

By: _________________________________
Title: _________________________________
Date: _________________________________
EXHIBIT B
For Contract No.___________

FORM OF SERVICE AGREEMENT
For use under Transporter's Rate Schedule FTS
(Continued)

BETWEEN GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

AND_______________________

EFFECTIVE DATE OF THIS EXHIBIT B (which supersedes and replaces any prior Exhibit B to this Agreement):______________

Primary Delivery Points:

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GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

By:_______________________________
Title:________________________________
Date: ________________________________

SHIPPER

By:_______________________________
Title:________________________________
Date: ________________________________
FORM OF SERVICE AGREEMENT
For use under Transporter's Rate Schedule ITS

Date: __________________________, Contract No.__________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Gulfstream Natural Gas System, L.L.C. (Transporter) and ______________________________ (Shipper).

WHEREAS, Shipper has requested Transporter to transport Shipper's Gas on an interruptible basis and Transporter represents that it is willing to transport Shipper's Gas on an interruptible basis under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the transportation service to be provided and the rights and obligations of Shipper and Transporter.

1. Transportation service under this Agreement will be under Part 284G of the Commission's regulations.

2. RATE SCHEDULE ITS

3. CONTRACT DATA:

   All receipt and delivery points on the system are available on an interruptible basis for service under this Agreement. The Maximum Daily Quantity (MDQ) for service under this Agreement shall be ________.

4. TERM:

   This Agreement shall be effective on __________ and shall remain in force and effect until 9:00 a.m. CCT on __________ ("Primary Term") and from __________ to __________ thereafter until terminated by Transporter or Shipper upon at least ________ prior written notice (if Transporter and Shipper agree on a fixed term, the evergreen and prior notice language shall be deleted), provided however, this Agreement shall terminate immediately and, subject to the receipt of necessary authorizations, if any, Transporter may discontinue service hereunder if (a) Shipper, in Transporter's reasonable judgment fails to demonstrate creditworthiness, and (b) Shipper fails to provide adequate Security in accordance with Section 28 of the General Terms and Conditions, or (c) Shipper fails to restore imbalances from services rendered.

5. RATES:
Maximum rates, charges, and fees shall be applicable for the quantities delivered pursuant to this Agreement unless Transporter has advised Shipper in writing at the address below or via 1Line℠ that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the Maximum Recourse Rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter's currently applicable Usage Rate. In the event Shipper and Transporter agree to a negotiated rate and specified term for service hereunder, provisions governing such negotiated rate and term shall be applicable, and shall be as specified in the written negotiated rate agreement between Shipper and Transporter and/or reflected on an appropriate Statement of Negotiated Rates filed as part of Transporter's Tariff.

It is further agreed that Transporter 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 Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper 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. Notwithstanding the foregoing, Transporter and Shipper agree not to initiate any proceeding before the FERC with respect to an increase or decrease in any negotiated rate during the term of such negotiated rate.

6. INCORPORATION BY REFERENCE:

The provisions of Transporter's Rate Schedule ITS and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

7. NOTICES:

Except as otherwise provided in the Tariff, all notices shall be in writing and mailed to the applicable address below or transmitted via facsimile. Shipper or Transporter may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

TRANSPORTER:
Gulfstream Natural Gas System, L.L.C.
2701 Rocky Point Drive, Suite 1050
Tampa, FL 33607
Attention:
Fax:_______________

SHIPPER:
_____________________________ (Shipper Name)
_____________________________ (Address)
8. INTERPRETATION

The interpretation and performance of this Agreement shall be in accordance with the laws of the State of _____ without recourse to the law regarding the conflict of laws.

This Agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter, State and Federal, and to all valid present and future orders, rules and regulations of duly constituted authorities having jurisdiction.

9. CANCELLATION OF PRIOR CONTRACT(S)

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]

10. OPERATIONAL FLOW ORDERS:

Transporter has the right to issue effective Operational Flow Orders pursuant to Section 13 of the General Terms and Conditions.

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.

SHIPPER:_________________  TRANSPORTER: Gulfstream Natural Gas System, L.L.C.

By:____________________    By:____________________

Title:___________________   Title:___________________

Date:____________________   Date:____________________
FORM OF SERVICE AGREEMENT
FOR RATE SCHEDULE PALS

Date: __________________________, Contract No.__________________

SERVICE AGREEMENT

This AGREEMENT is entered into by and between Gulfstream Natural Gas System, L.L.C. (Transporter) and ______________________________ (Shipper).

WHEREAS, Shipper desires to engage Transporter to provide ______(specify parking or lending) service; and

WHEREAS, Transporter desires to provide ______(specify parking or lending) service to Shipper subject to the terms and conditions of this Agreement and Rate Schedule PALS;

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's Rate Schedule PALS and the General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. CONTRACT DATA:

   The Maximum PALS Quantity (MPQ) (for Parking Service or Lending Service, as applicable) for service under this Agreement shall be ________.

2. TERM

   This Agreement shall be effective on ________________ and shall remain in force and effect until 9:00 a.m. CCT on ________________ ("Primary Term") and __________ to __________ thereafter until terminated by either party upon __________ prior written notice (if Transporter and Shipper agree on a fixed term, the evergreen and notice of termination language shall be deleted), provided however, this Agreement shall terminate immediately upon written notice from Transporter to Shipper and, subject to the receipt of necessary authorizations, if any, Transporter may discontinue service hereunder if (a) Shipper, in Transporter's reasonable judgement fails to demonstrate creditworthiness, and (b) Shipper fails to provide adequate Security in accordance with Section 28 of the General Terms and Conditions.

   Any portions of this Agreement necessary to correct or resolve (a Parking Service balance or a Lending Service balance, as applicable) under this Agreement as required by the General Terms and Conditions of Transporter's Tariff shall survive the other parts of this Agreement until such time as such correction or resolution has been accomplished.

3. RATES:
Maximum rates, charges, and fees shall be applicable for the quantities parked or loaned pursuant to this Agreement unless Transporter has advised Shipper in writing that it has agreed otherwise. Nothing herein shall obligate Transporter to provide service at less than the Maximum Recourse Rates, but Transporter may agree to provide service to Shipper at a specified discount, in which case such discount shall not be provided at a rate lower than the variable costs included in Transporter’s currently applicable Usage Rate. In the event Shipper and Transporter agree to a negotiated rate and specified term for service hereunder, provisions governing such negotiated rate and term shall be applicable, and shall be as specified in the written negotiated rate agreement between Shipper and Transporter and/or reflected on an appropriate Statement of Negotiated Rates filed as part of Transporter's Tariff.

It is further agreed that Transporter 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 Rate Schedule PALS and the General Terms and Conditions of Transporter's Tariff, and Transporter shall have the right to place such changes in effect in accordance with the Natural Gas Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall be construed to deny Shipper 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. Notwithstanding the foregoing, Transporter and Shipper agree not to initiate any proceeding before the FERC with respect to an increase or decrease in any negotiated rate during the term of such negotiated rate.

4. INCORPORATION BY REFERENCE:

The provisions of Transporter's Rate Schedule PALS and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

5. NOTICES:

Except as otherwise provided in the Tariff, all notices shall be in writing and mailed to the applicable address below or transmitted via facsimile. Shipper or Transporter may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

TRANSPORTER:
Gulfstream Natural Gas System, L.L.C.
2701 Rocky Point Drive, Suite 1050
Tampa, FL 33607
Attention:
Fax: ______________

SHIPPER:
_________________________  (Shipper Name)
6. INTERPRETATION

The interpretation and performance of this Agreement shall be in accordance with the laws of the State of __________________ without recourse to the law regarding the conflict of laws.

This Agreement and the obligations of the parties hereunder are subject to all present and future valid laws with respect to the subject matter, State and Federal, and to all valid present and future orders, rules and regulations of duly constituted authorities having jurisdiction.

7. CANCELLATION OF PRIOR CONTRACT(S)

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]

8. OPERATIONAL FLOW ORDERS:

Transporter has the right to issue effective Operational Flow Orders pursuant to Section 13 of the General Terms and Conditions.

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.

SHIPPER:_________________ TRANSporter: Gulfstream Natural Gas System, L.L.C.

By:_____________________ By:____________________

Title:___________________ Title:___________________

Date:__________________ Date:__________________
MASTER SERVICE AGREEMENT
FOR CAPACITY RELEASE TRANSACTIONS

This AGREEMENT is entered into by Gulfstream Natural Gas System, L.L.C. (Transporter) and ______________________(Shipper).

WHEREAS, Shipper has requested Transporter to transport Gas on its behalf in the event that Shipper is awarded capacity released on Transporter's system and Transporter represents that it is willing to transport Gas under the terms and conditions of this Agreement.

NOW, THEREFORE, Transporter and Shipper agree that the terms below, together with the terms and conditions of Transporter's applicable Rate Schedule and General Terms and Conditions of Transporter's Tariff constitute the Transportation Service to be provided and the rights and obligations of Shipper and Transporter.

1. SCOPE OF AGREEMENT:

Shipper and Transporter acknowledge that this is a Master Service Agreement entered into pursuant to Section 26 of Transporter's Tariff for the purpose of facilitating the capacity release process. Accordingly, Shipper agrees to be bound by the terms of its capacity release bid(s) if and when Transporter awards Shipper any such bid(s). Further, for each release transaction performed pursuant to this Agreement, Shipper agrees that, in addition to the terms and conditions of this Agreement, Shipper's rights under this Agreement shall not exceed those of the Releasing Shipper. Shipper and Transporter agree that the term, MDQ, MHQ, rate schedule, route, authority for transportation service, and other terms as applicable, for each capacity release transaction under this Agreement, as identified in Shipper's winning bid(s), shall be confirmed in writing as transmitted to Shipper by Transporter within one (1) hour after Transporter awards Shipper any released Capacity ("Award Notice"). The terms of such Award Notice(s) are hereby incorporated by reference in this Agreement.

2. AUTHORITY FOR TRANSPORTATION SERVICE will be under Part 284 of the Commission's regulations.

3. RATE SCHEDULE:

To be specified in applicable Award Notice.

4. CONTRACT QUANTITIES:

To be specified in applicable Award Notice.

Contract quantities shall be reduced for scheduling purposes, but not for billing purposes, by the contract quantities that Shipper has rereleased through Transporter's capacity release program for the period of any rerelease.
5. **TERM OF AGREEMENT:**

This Agreement shall be effective on ______________ and shall remain in force and effect until 9:00 a.m. CCT on _______________ ("Primary Term") and from ______________ to ______________ thereafter until terminated by Transporter or Shipper upon at least _______ prior written notice (if Transporter and Shipper agree on a fixed term, the evergreen and prior notice language shall be deleted), provided, if a capacity release transaction(s) entered into during the term of this Agreement will remain in effect on and after the date this Agreement would otherwise terminate, then this Agreement shall continue in effect until such capacity release transaction(s) terminates pursuant to the terms of such capacity release transaction; and further provided, this Agreement shall terminate immediately and subject to the receipt of necessary authorizations, if any, Transporter may discontinue service if (a) Shipper in Transporter’s reasonable judgment fails to demonstrate credit worthiness, and (b) Shipper fails to provide adequate security in accordance with Section 28 of the General Terms and Conditions, or (c) Shipper fails to restore imbalances from services rendered.

6. **RATES:**

The reservation rate for all quantities of Gas transported on the Primary Route and/or to any Secondary Receipt Point, any Secondary Delivery Point and any Secondary Route within the Primary Route up to the Primary Route MDQ and MHQ under this Agreement shall be specified in the applicable Award Notice. In addition, Shipper will be charged the applicable base tariff Usage Rate, ACA, Cashout, Transporter’s Use and any other related fees and surcharges.

All quantities associated with the release of capacity under this Agreement (i.e., a rerelease) will be at the applicable rate(s) plus all other related fees, surcharges and fuel, as accepted by the releasing shipper.

7. **INCORPORATION BY REFERENCE:**

The provisions of Transporter's applicable Rate Schedule and the General Terms and Conditions of Transporter's Tariff are specifically incorporated herein by reference and made a part hereof.

8. **OTHER CONDITIONS:**

This section will include any other terms and conditions of release that the Releasing Shipper specified in its capacity release offer pursuant to Section 26 of the General Terms and Conditions of Transporter's Tariff. In no event shall such other terms and conditions of release be contrary to any provision contained in Transporter's General Terms and Conditions.

9. **NOTICES:**

Except as otherwise provided in the Tariff, all notices shall be in writing and mailed to the applicable address below or transmitted via
facsimile. Shipper or Transporter may change the addresses or other
information below by written notice to the other without the necessity
of amending this Agreement:

TRANSPORTER:
Gulfstream Natural Gas System, L.L.C.
2701 Rocky Point Drive, Suite 1050
Tampa, FL 33607
Attention:
Telephone:
Fax:____________________

SHIPPER:
_________________________ (Shipper Name)
_________________________ (Address)
_________________________ (City, State, Zip)
Attention:____________________
Telephone:____________________
Fax: ______________________

10. OPERATIONAL FLOW ORDERS:

Transporter has the right to issue effective Operational Flow Orders
pursuant to Section 13 of the General Terms and Conditions.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be
signed by their respective Presidents, Vice Presidents or other duly
authorized agents and their respective corporate seals to be hereto affixed
and attested by their respective Secretaries or Assistant Secretaries, the
day and year first above written.

SHIPPER:______________________          TRANSPORTER: Gulfstream Natural
Gas System, L.L.C.

By:_________________________          By:_________________________
Title:_________________________          Title:_________________________
Date:_________________________          Date:_________________________
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