



**TRUNKLINE GAS COMPANY**  
An ENERGY TRANSFER Company

September 7, 2022

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

Re: Trunkline Gas Company, LLC  
Docket No. RP22- \_\_\_\_\_  
Updates to Negotiated Rate Authority and Website Links

Dear Ms. Bose:

Trunkline Gas Company, LLC ("Trunkline") hereby electronically submits for filing with the Federal Energy Regulatory Commission ("Commission") the tariff records listed on Appendix A to its FERC NGA Gas Tariff, Fourth Revised Volume No. 1 ("Tariff"), proposed to become effective October 7, 2022.

#### **STATEMENT OF NATURE, REASONS AND BASIS**

The purpose of this filing is to amend Trunkline's Tariff to clarify that negotiated rates may be below the minimum rates or above the maximum rates set forth in the Currently Effective Rates for the applicable rate schedule. Updates have been made to the Negotiated Rates section for Rate Schedules FT, EFT, QNT, LFT, FSS and NNS-1, as well as the definition of "Negotiated Rate" in General Terms and Conditions ("GT&C") Section 1.

Additionally, Trunkline is updating links to website addresses that are included in its Tariff. The updates include: (1) the links to Trunkline's maps - System, Field Zone, Zone 1A, Zone 1B and Zone 2; (2) the link in the definition of "Web Site" in GT&C Section 1; (3) the link for Request to Purchase Releasable Capacity in GT&C Section 9.10; and (4) the link to the Commission's website for the ACA Unit Charge in GT&C Section 21.2.

#### **IMPLEMENTATION AND WAIVER REQUEST**

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, Trunkline requests that the proposed tariff records submitted herewith become effective October 7, 2022. Trunkline respectfully requests the Commission grant any waivers of its Regulations that it deems necessary to accept this filing and allow the proposed tariff records in this filing to become effective on October 7, 2022.

## CONTENTS OF THE FILING

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. The proposed tariff records in RTF format with metadata attached are being submitted as part of an XML filing package containing the following:

- . A transmittal letter including Appendix A in PDF format
- . A clean copy of the proposed tariff records in PDF format for publishing in eLibrary
- . A marked version of the proposed tariff changes in PDF format
- . A copy of the complete filing in PDF format for publishing in eLibrary

## COMMUNICATIONS, PLEADINGS AND ORDERS

Trunkline requests that all Commission orders and correspondence as well as pleadings and correspondence from other parties concerning this filing be served on each of the following:

***Michael T. Langston***<sup>1</sup>

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Chief Regulatory Officer  
Trunkline Gas Company, LLC  
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***Lawrence J. Biediger***<sup>1 2</sup>

Sr. Director, Rates and Regulatory Affairs  
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In accordance with Section 154.2(d) of the Commission's Regulations, a copy of this filing is available for public inspection during regular business hours at Trunkline's office at 1300 Main Street, Houston, Texas 77002. In addition, copies of this filing are being served electronically on jurisdictional customers and interested state regulatory agencies. Trunkline has posted this filing on its Internet

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<sup>1</sup> Designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. Trunkline respectfully requests that the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow Trunkline to include additional representatives on the official service list.

<sup>2</sup> Designated as responsible Company official under Section 154.7(a)(2) of the Commission's Regulations.

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website accessible via <https://tgcmessenger.energytransfer.com> under Informational Postings, Regulatory.

Pursuant to Section 385.2005(a) of the Commission's Regulations, the undersigned has read this filing and knows its contents, the contents are true as stated, to the best of his knowledge and belief, and possesses full power and authority to sign such filing.

Respectfully submitted,

TRUNKLINE GAS COMPANY, LLC

**/s/ Lawrence J. Biediger**

Lawrence J. Biediger  
Sr. Director, Rates and Regulatory Affairs

TRUNKLINE GAS COMPANY, LLC  
FERC Gas Tariff  
Fourth Revised Volume No. 1

Proposed to be effective October 7, 2022

<u>Version</u>	<u>Description</u>	<u>Title</u>
4.0.0	System	Map
6.0.0	Field Zone	Map
5.0.0	Zone 1A	Map
4.0.0	Zone 1B	Map
3.0.0	Zone 2	Map
4.0.0	Rate Schedule FT	Firm Transportation
4.0.0	Rate Schedule EFT	Enhanced Firm Transportation
4.0.0	Rate Schedule QNT	Quick Notice Transportation
5.0.0	Rate Schedule LFT	Limited Firm Transportation
1.0.0	Rate Schedule FSS	Firm Storage Service
1.0.0	Rate Schedule NNS-1	No Notice Service
8.0.0	GT&C Section 1.	Definitions
7.0.0	GT&C Section 9.	Capacity Release
3.0.0	GT&C Section 21	Annual Charge Adjustment Provision

### System Map

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

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/system-map>

### Field Zone Map

The Field Zone Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/field-zone>

### Zone 1A Map

The Zone 1A Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/zone1a>

### Zone 1B Map

The Zone 1B Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/zone1b>



## Zone 2 Map

The Zone 2 Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/zone2>

RATE SCHEDULE FT  
FIRM TRANSPORTATION

1. AVAILABILITY

This Rate Schedule FT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule FT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule FT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a uniform hourly basis up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of

Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service provided at the primary and secondary Points of Receipt and primary and secondary Points of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 3 and 4 of the General Terms and Conditions.

2.4 Tolerance Level

The Tolerance Level under this Rate Schedule FT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

3. RATE

The rates and charges for firm service under this Rate Schedule FT shall be as follows:

3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule FT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule FT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all

Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule FT; and
- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule FT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule FT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FT.

### 3.4 Surcharges

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule FT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule FT or which otherwise may be applicable to service under this Rate Schedule FT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable

Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule FT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule FT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule FT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charge

- (A) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rates for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule FT.
- (B) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of

Receipt identified as a Gathering Point of Receipt on the MRPL, or the South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule FT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

### 3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

### 3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule FT; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule FT.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule FT, the provisions of this Rate Schedule FT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule FT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE EFT  
ENHANCED FIRM TRANSPORTATION

1. AVAILABILITY

This Rate Schedule EFT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule EFT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule EFT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a basis consistent with Section 2.4 hereof, up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity and operating capabilities of Trunkline's system, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ



shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service provided at the primary and secondary Points of Receipt and primary and secondary Points of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 3 and 4 of the General Terms and Conditions.

2.4 Flow Rate of Delivered Quantities

Shipper is allowed to take at any Point of Delivery during any hour between fifty percent (50%) and one hundred fifty percent (150%) of the uniform hourly Quantities scheduled for Transportation to such Point of Delivery and will not incur a daily scheduling penalty if the total Quantities delivered for the Gas Day at such point are within the Tolerance Level specified in Section 2.5 herein.

2.5 Tolerance Level

The Tolerance Level under this Rate Schedule EFT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

3. RATE

The rates and charges for firm service under this Rate Schedule EFT shall be as follows:

3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule EFT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones

located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule EFT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule EFT; and
- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule EFT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule EFT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule EFT.

### 3.4 Surcharges

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions, and as set forth on the Currently Effective Rates for Rate Schedule EFT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule EFT or which otherwise may be applicable to service under this Rate Schedule EFT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule EFT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule EFT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule EFT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule EFT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charge

- (A) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable

charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rate for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule EFT.

- (B) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule EFT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

### 3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

### 3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule EFT; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing

adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule EFT; provided that, in addition to the intraday nominations under Section 3.1(C) of the General Terms and Conditions, Shipper may make one intraday nomination each day to be effective on a prospective basis on any hour of the Gas Day. The total nominations for one Gas Day shall not exceed Shipper's MDQ, unless authorized by Trunkline. Shipper's intraday nomination shall be implemented upon confirmation by the operators of the Points of Receipt and Delivery and if Trunkline's system operating conditions will allow such intraday nomination, except that an intraday nomination will not be implemented to the extent it would result in a change to any other Shipper's scheduled and flowing Quantities for that Gas Day. Quantities shall be deemed to be flowing if the operator at the Point of Receipt or Point of Delivery has confirmed Shipper's nomination.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule EFT, the provisions of this Rate Schedule EFT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule EFT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE QNT  
QUICK NOTICE TRANSPORTATION

1. AVAILABILITY

This Rate Schedule QNT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule QNT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule QNT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a uniform hourly basis up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity and operating capabilities of Trunkline's system, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of

Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service provided at the primary and secondary Points of Receipt and primary and secondary Points of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 3 and 4 of the General Terms and Conditions.

2.4 Tolerance Level

The Tolerance Level under this Rate Schedule QNT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

3. RATE

The rates and charges for firm service under this Rate Schedule QNT shall be as follows:

3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule QNT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule QNT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule QNT; and
- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule QNT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule QNT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule QNT.

### 3.4 Surcharges

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule QNT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule QNT or which otherwise may be applicable to service under this Rate Schedule QNT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule QNT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline



shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule QNT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantities of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule QNT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule QNT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charge

- (A) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rate for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule QNT.
- (B) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such

excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule QNT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

### 3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

### 3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule QNT; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule QNT; provided that, in addition to the intraday nominations under Section 3.1(C) of the General Terms and Conditions, Shipper may make one intraday nomination per hour to be effective on a prospective basis on any hour of the Gas Day if such intraday nomination is submitted before 4 p.m. Central Time on any Business Day and before 11 a.m. Central Time on Federal Banking Holidays and weekends. The total nominations for one Gas Day shall not exceed Shipper's MDQ, unless authorized by Trunkline. Shipper's intraday nomination shall be implemented upon confirmation by the operators of the Points of Receipt and Delivery and if Trunkline's system operating conditions will allow such intraday nomination, except that an intraday nomination will not be implemented to the extent it would result in a change to any other Shipper's scheduled and flowing Quantities for that Gas Day. Quantities shall be deemed to be flowing if the operator at the Point of Receipt or Point of Delivery has confirmed Shipper's nomination.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule QNT, the provisions of this Rate Schedule QNT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule QNT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE LFT  
LIMITED FIRM TRANSPORTATION

1. AVAILABILITY

This Rate Schedule LFT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule LFT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule LFT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a basis consistent with Section 2.4 hereof, up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity and operating capabilities of Trunkline's system, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ

shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service at the primary and secondary Points of Receipt and Points of Delivery shall be provided on a firm basis subject to Trunkline's right not to schedule service in whole or in part on any Gas Day, but not more than ten (10) Gas Days in each Month. Service that is scheduled under Rate Schedule LFT shall be considered firm service and thus shall be subject to the Nomination and Scheduling of Services, and Curtailment and Interruption procedures included in Sections 3 and 4 of the General Terms and Conditions. Shippers under Rate Schedule LFT may release all or a portion of their MDQ in accordance with the procedures established for Capacity Release under Section 9 of the General Terms and Conditions.

If Trunkline receives an acceptable request for firm Transportation service pursuant to Rate Schedule FT, EFT or QNT that can only be provided by reducing the MDQ of services under this Rate Schedule, Trunkline shall notify the Shipper(s) that has the lowest priority of service under this Rate Schedule of the reductions in its or their MDQ under this Rate Schedule which are necessary to furnish Transportation Service under Rate Schedule FT, EFT or QNT. Priority of service for purposes of the preceding sentence shall be determined as provided in Section 10.3 of the General Terms and Conditions. Such reduction shall be made on the date specified in such notification, which date shall be no less than thirty (30) days after the date of such notification. Such notified Shipper under this Rate Schedule may, within said thirty (30) days, convert that portion of service provided under this Rate Schedule which is equal to such reduction, to service under Rate Schedule FT, EFT or QNT by executing a Service Agreement under Rate Schedule FT, EFT or QNT which conversion shall have priority over the pending request for service under Rate Schedule FT, EFT or QNT which caused such notification, assuming such Rate Schedule LFT Shipper agrees to a service under Rate Schedule FT, EFT or QNT that will have a net present value that equals or exceeds the net present value of the Rate Schedule FT, EFT or QNT pending request, or such notified Shipper may convert that portion of service provided under this Rate Schedule which is equal to such reduction to service under Rate Schedule IT or QNIT by executing a Service Agreement for such service, or such notified Shipper may terminate any remaining portion of service provided under this Rate Schedule. Conversions to Rate Schedule IT or QNIT service shall maintain the original priority date under this Rate Schedule, for purposes of priority of service pursuant to Sections 3 and 4 of the General Terms and Conditions.

- 2.4 Flow Rate of Delivered Quantities

Shipper is allowed to take at any Point of Delivery during any hour between fifty percent (50%) and one hundred fifty percent (150%) of the uniform hourly Quantities scheduled

for Transportation to such Point of Delivery and will not incur a daily scheduling penalty if the total Quantities delivered for the Gas Day at such point are within the Tolerance Level specified in Section 2.5 herein.

## 2.5 Tolerance Level

The Tolerance Level under this Rate Schedule LFT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

## 3. RATE

The rates and charges for firm service under this Rate Schedule LFT shall be as follows:

### 3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule LFT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule LFT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the

product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule LFT; and

- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule LFT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule LFT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule LFT.

### 3.4 Surcharge

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule LFT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule LFT or which otherwise may be applicable to service under this Rate Schedule LFT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule LFT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule LFT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule LFT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule LFT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charges

- (A) Overrun Charge for Takes in Excess of MDQ and MDRO
  - (1) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rates for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule LFT.
  - (2) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such excess Quantities and the applicable



overrun rate as set forth on the Currently Effective Rates for Rate Schedule LFT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

(B) Overrun Charges for Takes in Excess of Monthly Allowable Quantities

If during the Month, Shipper takes Quantities in excess of the Monthly Allowable Quantity of Gas, Shipper shall be subject to an overrun charge for such excess Quantities in addition to the applicable reservation and commodity charges, and any balancing or other charges that may be applicable pursuant to Section 5, 6 or 13 of the General Terms and Conditions. The Monthly Allowable Quantity of Gas shall be determined by multiplying the Maximum Daily Quantity set forth in the Service Agreement under this Rate Schedule times the number of days of firm service allowed for such Month. The number of days of firm service allowed for each Month shall be the result of the number of days in the Month minus ten. The applicable charge per Dt for any Quantity of Gas taken during the Month in excess of the Monthly Allowable Quantity shall be the product of such excess Quantities and the sum of the applicable overrun rates for the zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule LFT.

(C) Overrun Charge for Takes During a Period in Which Service is not Scheduled

If, pursuant to Section 2.3 hereof, Shipper has been notified that its service is not being scheduled, either completely or partially, Shipper must limit its takes to the level permitted in the notification for scheduled service. If Shipper's takes exceed the level permitted during such period service is not scheduled, the applicable charge per Dt for volumes in excess of those permitted shall be \$15 or two times the Spot Index Price calculated in accordance with Section 5.2(F) of the General Terms and Conditions, whichever is greater.

3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule LFT; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

## 4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule LFT; provided that, in lieu of the nomination adjustment under Section 3.1(D) of the General Terms and Conditions, Shipper may make one nomination adjustment each day to be effective on a prospective basis on any hour of the Gas Day if such nomination adjustment is submitted before 4 p.m. on any Business Day and before 11 a.m. on Trunkline holidays and weekends. The change in Quantity shall not exceed twenty- five percent (25%) of the previously nominated and confirmed receipt or delivery Quantities for such Gas Day and shall be included in the calculation of the total nomination applicable to such Gas Day. The total nominations for one Gas Day shall not exceed Shipper's MDQ, unless authorized by Trunkline. Shipper's nomination adjustment shall be implemented upon confirmation by the operator of the Point of Receipt and if Trunkline's system operating conditions will allow such adjustment, except that a nomination adjustment will not be implemented to the extent it would result in a change to any other Shipper's scheduled and flowing Quantities for that Gas

Day. Quantities shall be deemed to be flowing if the operator at the Point of Receipt or Point of Delivery has confirmed Shipper's nomination.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule LFT, the provisions of this Rate Schedule LFT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule LFT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE FSS  
FIRM STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule FSS is available to any party (hereinafter called Shipper) that has requested firm Storage service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule FSS. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule FSS is a part.

Shipper shall arrange separately with Trunkline or others as necessary for any Transportation attendant to the Storage service provided hereunder and Shipper shall pay separately for such Transportation services.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The firm service provided hereunder is the Storage of Natural Gas up to the Maximum Contract Storage Capacity (MCSC) set forth in the Service Agreement, subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Service Agreement. Trunkline is not obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.2 The service provided hereunder consists of the injection of Shipper's Gas into storage during the Summer Period, storage in Trunkline's Epps Storage Field, and the subsequent withdrawal from storage of Shipper's Gas during the Winter Period, all on a firm basis. Winter Period injections and Summer Period withdrawals will be permitted on an interruptible basis, subject to Trunkline's management of storage to preserve deliverability. Maximum Daily Withdrawal Quantities (MDWQ) and Maximum Daily Injection Quantities (MDIQ) shall be as stated in the Service Agreement. The MDWQ shall not be less than 1/120 of MCSC for the Winter Period, and the MDIQ shall not be less than 1/200 of MCSC for the Summer Period.

Available withdrawal Quantities will vary according to the percentage of Shipper's Stored Volume to the MCSC as follows:

Percentage of Stored Volume to the Maximum Contract <u>Storage Capacity</u>	Available Withdrawal <u>Quantities</u>
100% - 70%	100% of MDWQ
<70% - 50%	75% of MDWQ
<50% - 0%	60% of MDWQ

- 2.3 The available Stored Volume shall be increased, up to the MCSC, by the Quantity of Gas Shipper transfers into storage in accordance with Section 2.4 herein. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of storage in accordance with Section 2.4 herein.

2.4 In-Field Transfers of Storage Inventory

- (A) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule FSS, NNS-1 or NNS-2, if:
- (1) Both the transferee and transferor of the Stored Volume provide Trunkline with verification of the transfer in writing; and
  - (2) The transfer does not cause the Stored Volume to exceed the MCSC specified in the applicable Service Agreement.
- (B) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule ISS, if:
- (1) Shipper receives prior approval from Trunkline for such transfer; and
  - (2) All of the requirements of Section 2.4(A) above are met.
- (C) Trunkline will recognize the transfer for purposes of computing available Stored Volume on a prospective basis within one Business Day after receiving the verification required by Section 2.4(A)(1).

2.5 Cycling Requirement

If the Stored Volume of Shipper is not reduced to ten percent (10%) of MCSC or less prior to April 1 of any Contract Year, then Trunkline shall retain any Stored Volume in excess of ten percent (10%) of the MCSC.

### 3. RATES

The rates and charges for firm service under this Rate Schedule FSS shall be as follows:

#### 3.1 Capacity Charge

The monthly Capacity Charge shall be the product of 1/12th the MCSC and the capacity rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.2 Deliverability Charge

The monthly Deliverability Charge shall be the product of the MDWQ and the deliverability rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.3 Injection Charge

The Injection Charge shall be the product of the Quantity of Gas actually received from Shipper and injected into storage during the Month and the injection rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.4 Withdrawal Charge

The Withdrawal Charge shall be the product of the Quantity of Gas actually withdrawn from storage and delivered to Shipper during the Month and the withdrawal rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to Shipper for service hereunder shall be the applicable Maximum Rate set forth on the Currently Effective Rates for Rate Schedule FSS, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Storage service at a rate less than the Maximum Rate per Dt.

#### 3.6 Overrun Charge

If during the Month, Shipper injects into storage or withdraws from storage Quantities in excess of the MDIQ or MDWQ, as applicable, stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective

Rates for Rate Schedule FSS. The Overrun Charge will not apply to Winter Period injections and Summer Period withdrawals if the Quantities injected or withdrawn are within the MDIQ or MDWQ, as applicable.

### 3.7 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2, 3.3 and 3.4 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule FSS; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.7 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

## 4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule FSS.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule FSS, the provisions of this Rate Schedule FSS shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule FSS and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.



RATE SCHEDULE NNS-1  
NO NOTICE SERVICE

1. AVAILABILITY

1.1 This Rate Schedule NNS-1 is available to any party (hereinafter called Shipper) that has requested No Notice Service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has:

- (A) Executed a Transportation Service Agreement with Trunkline and
- (B) Executed a Service Agreement with Trunkline for service under this Rate Schedule NNS-1. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule NNS-1 is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule NNS-1 shall apply to No Notice Service. Shipper may also use the service hereunder for nominated Storage service.

The service provided hereunder consists of the injection by Trunkline of Shipper's Gas into storage, storage in Trunkline's Epps Storage Field, and the subsequent withdrawal from storage, all on a firm basis. Injections may be made at any time, subject to available Maximum Contract Storage Capacity (MCSC) set forth in the Service Agreement. The Maximum Daily Injection Quantity (MDIQ) shall be 1/120th of the MCSC. Withdrawals may be made at any time, subject to available Stored Volumes. The Maximum Daily Withdrawal Quantity (MDWQ) shall be 1/75th of the MCSC. The available Stored Volumes shall be increased, up to the MCSC, by the Quantity of Gas Shipper transfers into storage under this Rate Schedule NNS-1 in accordance with Section 2.6 hereof. The available Stored Volumes shall be reduced by the Quantity of Gas Shipper transfers out of storage under this Rate Schedule NNS-1 in accordance with Section 2.6 hereof.

Service under this Rate Schedule NNS-1 is subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Service Agreement. Trunkline is not obligated to provide any service under this Rate Schedule NNS-1 for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.2 No Notice Service

- (A) The No Notice Service provided hereunder allows Shipper to increase, up to MDQ, or decrease Transportation deliveries at Eligible Points of Delivery under its Designated Transportation Service Agreement on any Gas Day without nominating such increase or decrease and without incurring daily scheduling penalties to the extent such increases or decreases are in accordance with the provisions of this Rate Schedule NNS-1.
- (B) To provide the No Notice Service hereunder, when the Quantity of Gas delivered at Eligible Points of Delivery on Shipper's Designated Transportation Service Agreement is less than the Quantity of Gas scheduled for delivery at such points, Trunkline will automatically inject the difference into storage on Shipper's behalf up to Shipper's MDIQ, subject to Shipper's available MCSC; when the Quantity of Gas delivered at Eligible Points of Delivery on Shipper's Designated Transportation Service Agreement is greater than the Quantity of Gas scheduled for delivery at such points, Trunkline will automatically withdraw the difference from storage on Shipper's behalf up to Shipper's MDWQ, subject to the available Stored Volume.

2.3 Shipper may nominate injections up to its MDIQ into storage along with a corresponding nomination on Shipper's Designated Transportation Service Agreement subject to available MCSC. Shipper may nominate withdrawals up to its MDWQ and available Stored Volumes from storage along with a corresponding nomination on Shipper's Designated Transportation Service Agreement. Any such nomination will reduce the MDWQ or MDIQ that Trunkline has available to balance Shipper's deliveries in accordance with the No Notice feature described in Section 2.2 hereof.

2.4 For purposes of this Rate Schedule NNS-1, a Designated Transportation Service Agreement may be any Service Agreement with a Shipper under Rate Schedule FT, SST, EFT, QNT or LFT that specifies as a primary Point of Receipt Trunkline's Epps Storage Field with an MDRO equal to the MDWQ under the Shipper's NNS-1 Service Agreement and specifies as a primary Point of Delivery Trunkline's Epps Storage Field with an MDDO equal to the MDIQ under the Shipper's NNS-1 Service Agreement. The MDRO and MDDO specified at the Epps Storage Field will not serve to reduce the MDRO and MDDO the Shipper may assign to other primary Points of Receipt and Delivery.

2.5 Eligible Points of Delivery

Eligible Points of Delivery for the No Notice Service provided under this Rate Schedule NNS-1 shall be as specified in the Rate Schedule NNS-1 Service Agreement.

2.6 In-Field Transfers of Storage Inventory

- (A) For any transfer by sale or otherwise of all or a portion of Shipper's Stored Volume, the following are required:
  - (1) Both the transferee and transferor of the Stored Volume shall provide Trunkline with verification of the transfer in writing; and
  - (2) The transfer shall not cause the Stored Volume to exceed the MCSC specified in the applicable Service Agreement.
- (B) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule FSS, if:
  - (1) Rate Schedule NNS-1 Shipper agrees to pay the Field Zone transportation charge under its Designated Transportation Service Agreement for the Quantity of Gas transferred when its furthest upstream primary Point of Receipt is located in the Field Zone at the time of injection and Shipper has not already paid such Field Zone transportation charge; and
  - (2) All of the requirements of Section 2.6(A) above are met.
- (C) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule NNS-1 or NNS-2, if:
  - (1) Shipper agrees to pay the Field Zone transportation charge under its Designated Transportation Service Agreement for the Quantity of Gas transferred when its furthest upstream primary Point of Receipt is located in the Field Zone at the time of injection and Shipper has not already paid such Field Zone transportation charge; and
  - (2) All of the requirements of Section 2.6(A) above are met.
- (D) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule ISS, if:
  - (1) Shipper receives prior approval from Trunkline for such transfer; and
  - (2) All of the requirements of Sections 2.6(A) and 2.6(B) above are met.
- (E) Trunkline will recognize the transfer for purposes of computing the available Stored Volume on a prospective basis within one Business Day after receiving the verification required by Section 2.6(A)(1).

### 3. RATE

The rates and charges for firm service under this Rate Schedule NNS-1 shall be as follows:

#### 3.1 Reservation Charge

The monthly Reservation Charge shall be the product of the MDWQ and the reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

#### 3.2 Injection Charge

The Injection Charge shall be the product of the Quantity of Gas injected into storage, whether in accordance with a nomination by Shipper or in accordance with Section 2.2 of this Rate Schedule NNS-1, during the Month, and the injection rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

#### 3.3 Withdrawal Charge

The Withdrawal Charge shall be the product of the Quantity of Gas withdrawn from storage, whether in accordance with a nomination by Shipper or in accordance with Section 2.2 of this Rate Schedule NNS-1, during the Month, and the withdrawal rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

#### 3.4 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1, plus all applicable surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon in writing, such amount shall be applied prospectively. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for No Notice Service at a rate less than the Maximum Rate per Dt.

#### 3.5 Overrun Charge

If during the Month, Shipper injects into storage or withdraws from storage Quantities in excess of the MDIQ or MDWQ, as applicable, stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

### 3.6 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule NNS-1; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.6 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

## 4. Coordination with Rate Schedules FT, SST, EFT, QNT and LFT

- 4.1 The inclusion of the Epps Storage Field as a primary Point of Receipt and primary Point of Delivery for firm Transportation service under Shipper's Designated Transportation Service Agreement shall not affect the calculation of the Reservation Charge thereunder.
- 4.2 When Trunkline injects Gas to provide No Notice Service pursuant to Section 2.2 under this Rate Schedule NNS-1, the Usage Charge for Transportation service under Shipper's Designated Transportation Service Agreement shall not apply to the Quantity of Gas transported thereunder and injected into storage; and when Trunkline withdraws Gas to provide No Notice Service pursuant to Section 2.2 under this Rate Schedule NNS-1, the Usage Charge for Transportation service under Shipper's Designated Transportation Agreement shall apply to the Quantity of Gas withdrawn and subsequently transported

thereunder and shall be computed using Shipper's farthest upstream primary Point of Receipt at the time of injection under its Designated Transportation Service Agreement.

- 4.3 For the Quantity of Gas injected into or withdrawn from Storage in accordance with Shipper's nomination, the Usage Charge for Transportation service under Shipper's Designated Transportation Service Agreement shall be computed in accordance with the terms of the applicable Rate Schedule.
- 4.4 For purposes of determining whether Shipper has exceeded the Tolerance Level specified in Section 2 of Rate Schedule FT, SST, EFT, QNT, or LFT, the Quantity of Gas scheduled for delivery at Eligible Points of Delivery shall be increased by the Quantity of Gas withdrawn from storage pursuant to Section 2.2 herein and decreased by the Quantity of Gas injected into storage pursuant to Section 2.2 herein.

## 5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule NNS-1.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule NNS-1, the provisions of this Rate Schedule NNS-1 shall govern.

## 6. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule NNS-1 and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

## GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions are applicable to all services provided herein:

### 1. DEFINITIONS

**"Backhaul"** shall mean transportation nominated, confirmed and scheduled by Trunkline for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in a direction opposite of the physical flow of gas for the entire transportation path.

**"British Thermal Unit (Btu)"** shall mean the amount of heat required to raise the temperature of one avoirdupois pound of pure water from 58.5°F to 59.5°F under standard conditions as described in Section 14.2.

**"Business Day"** shall mean Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Clock Time, excluding Federal Banking Holidays.

**"Central Time (CT)" or "Central Clock Time (CCT)"** shall mean the time in the Central Time Zone, as adjusted for Daylight Savings Time and Standard Time.

**"Commission" or "FERC"** shall mean the Federal Energy Regulatory Commission or any successor regulatory agency.

**"Dekatherm (Dt)"** shall mean one thousand cubic feet of Gas (Mcf) with a heat content of 1,000 Btu per cubic foot on a measurement basis specified under Section 14 herein and based on the same pressure base as the volumes.

**"DVS Party"** shall mean the entity that has executed a Service Agreement under Rate Schedule DVS with Trunkline.

**"Electronic Funds Transfer"** shall mean payments made or effected by wire transfer (Fedwire, CHIPS, or Bank Book Entry) or Automated Clearing House (ACH) or any other recognized electronic or automated payment mechanism that is agreed upon by Shipper and Trunkline in the future.

**"Electronic Gas Measurement (EGM)"** shall mean that form of measurement equipment which may consist of a computerized remote terminal unit, transducers and other associated power, radio and sensing and other electronic devices to record Gas measurement and the transfer of data, without the use of charts.

**"Equivalent Quantity"** shall mean an aggregate Quantity of Gas nominated by a TABS-1 Party equal to the aggregate of the Specific Quantities nominated by each Shipper utilizing the TABS-1 Service Point, adjusted for transfer nominations in accordance with Sections 2.4 of Rate Schedule TABS-1.

**"Field Zone"** shall mean the portion of Trunkline's system located on the suction side of its Longville, Louisiana compressor station.

**"Former Tariff"** shall mean Trunkline's FERC Gas Tariff, Original Volume No. 1.

**"Forwardhaul"** shall mean transportation nominated, confirmed and scheduled by Trunkline for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in the same direction of the physical flow of gas for any part of the transportation path.

**"Fuel Reimbursement"** shall mean the reimbursement in kind to Trunkline by Shipper for fuel usage and lost or unaccounted for Gas.

**"Gas" or "Natural Gas"** shall mean either Natural Gas unmixed, or a mixture of natural and artificial Gas.

**"Gas Day"** shall mean a period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time. The reference date for any Gas Day shall be the date of the beginning of such Gas Day.

**"Gathering"** shall mean the receipt by Trunkline of Natural Gas from a facility connected to Trunkline's Gathering facilities and its Transportation to the outlet side of Trunkline's facilities at the terminus of any portion of Trunkline's Gathering facilities or such other mutually agreeable points on Trunkline's Gathering facilities as set forth in the Transportation Service Agreement.

**"Long-Term Agreement"** shall mean a Service Agreement with a primary term of one year or more.

**"Master Delivery Point List (MDPL)"** shall mean the current list of meter stations and points, excluding meter stations and points on the South Texas Modified Transmission System, available to Shippers as Points of Delivery as posted on the Messenger® system at any time.

**"Master Parking Point List (MPPL)"** shall mean the current list of points available to Shippers as Parking Points as posted on the Messenger® system at any time.

**"Master Receipt Point List (MRPL)"** shall mean the current list of meter stations and points, excluding meter stations and points on the South Texas Modified Transmission System, available to Shippers as Points of Receipt as posted on the Messenger® system at any time.

**"Maximum Contract Storage Capacity (MCSC)"** shall mean the maximum Quantity of Gas which Shipper is permitted to have in storage at any time as stated in the Service Agreement.

**"Maximum Daily Delivery Obligation (MDDO)"** shall mean the maximum Quantity of Gas assigned to a specific primary Point of Delivery, as stated in the Service Agreement, that Trunkline is obligated to deliver to Shipper at that point on any Gas Day.



**"Maximum Daily Injection Quantity (MDIQ)"** shall mean the maximum Quantity of Gas, as stated in the Service Agreement, that Trunkline is obligated to inject into storage for Shipper on any Gas Day.

**"Maximum Daily Quantity (MDQ)"** shall mean the maximum Quantity of Natural Gas, as stated in the Service Agreement, that Trunkline is obligated to deliver on any Gas Day to Shipper.

**"Maximum Daily Receipt Obligation (MDRO)"** shall mean the maximum Quantity of Gas assigned to a specific primary Point of Receipt, as stated in the Service Agreement, that Trunkline is obligated to receive from Shipper at that point on any Gas Day.

**"Maximum Daily Variance Quantity (MDVQ)"** shall mean the maximum Quantity of Gas that Trunkline is obligated to manage under Rate Schedule DVS.

**"Maximum Daily Withdrawal Quantity (MDWQ)"** shall mean the maximum Quantity of Gas, as stated in the Service Agreement, that Trunkline is obligated to withdraw from storage for Shipper on any Gas Day.

**"Maximum Rate"** shall mean the applicable maximum rate as set forth on the Currently Effective Rates for the applicable Rate Schedule, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time.

**"Messenger®"** shall mean the electronic communication system offered by Trunkline on a nondiscriminatory basis to any person that has compatible equipment for electronic transmission of data; provided that such person has executed a Messenger® Agreement, has been assigned a USERID and password and agrees to comply with the procedures for access to and use of the Messenger® system.

**"Minimum Rate"** shall mean the applicable minimum rate as set forth on the Currently Effective Rates for the applicable Rate Schedule.

**"Month"** shall mean the period beginning at 9:00 a.m. Central Clock Time on the first Gas Day of the calendar month and continuing through the last Gas Day of the calendar month.

**"Mcf"** shall mean 1,000 cubic feet of Gas at 14.73 psia (dry).

**"MMcf"** shall mean 1,000,000 cubic feet of Gas at 14.73 psia (dry).

**"Negative Parked Quantity"** shall mean the Quantity of Gas that Shipper has received from Parking in excess of the sum of the Parked Quantity at any point in time.

**"Negotiated Rate"** shall mean the rate agreed to by Shipper and Trunkline which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate. The Negotiated Rate may be based on a rate design other than straight fixed variable and may include a minimum quantity.

**"OBA Party"** shall mean the entity that has executed an Operational Balancing Agreement with Trunkline.

**"Off-Peak"** shall mean April, May, June, July, August, September and October.

**"Operational Balancing Agreement (OBA)"** shall mean a contract between two parties which specifies the procedures to manage operating variances at an interconnect pursuant to Section 7 herein.

**"Operational Flow Order (OFO)"** shall mean an order issued by Trunkline to any Shipper, OBA Party or TABS-1 Party pursuant to Section 6 herein.

**"Parked Quantity"** shall mean the Quantity of Gas, expressed in dekatherms, held for the account of Shipper at a specific Parking Point at any point in time.

**"Parking"** shall mean the receipt by Trunkline of Gas from or for the account of Shipper, the holding of such Gas for a period of time and the subsequent redelivery to Shipper.

**"Peak"** shall mean November, December, January, February and March.

**"Point of Delivery"** shall mean a point at the outlet side of Trunkline's facilities at a point of interconnection between the facilities of Trunkline and the facilities of Shipper or Shipper's designee, or such other mutually agreeable point as set forth in the Service Agreement. Multiple meters delivering to the same integrated service area of a Shipper may be considered to be a single Point of Delivery, subject to Trunkline's agreement.

**"Point of Receipt"** shall mean a point at the inlet side of Trunkline's facilities at a point of interconnection between the facilities of Trunkline and facilities of Shipper or Shipper's designee, or such other mutually agreeable point as set forth in the Service Agreement.

**"Pre-arranged Replacement Shipper (PRS)"** shall mean the entity designated by Releasing Shipper prior to the released capacity being posted on the Messenger® system. The PRS must be on the approved bidders list in accordance with Section 9.4(A) of the General Terms and Conditions and will become a Replacement Shipper upon selection of its bid as the best bid.

**"Primary Path"** shall mean a physical transportation path, which includes Trunkline's facilities or facilities available under contract to Trunkline, used to effectuate Shipper's transaction most directly for Quantities associated with the primary Points of Receipt and the primary Points of Delivery as stated in the Service Agreement.

**"Quantity of Gas"** or "Quantities" shall mean the number of units of Gas expressed in Dekatherms (Dt).

**"Releasing Shipper"** shall mean a firm Shipper that releases capacity pursuant to Section 9 herein.

**"Replacement Shipper"** shall mean any entity that obtains capacity from a Releasing Shipper pursuant to Section 9 herein.

**"Service Agreement"** shall mean the written executed agreement, in the form prescribed in this Tariff, applicable to the particular Rate Schedule under which service is being provided, including a Capacity Release Service Agreement.

**"Shipper"** shall mean the entity that has executed a Service Agreement with Trunkline for any capacity release or any Transportation or Storage service.

**"South Texas Master Delivery Point List" or "South Texas MDPL"** shall mean the current list of meter stations and points available to Shippers with Primary Points of Delivery on the South Texas Modified Transmission System as posted on the Messenger® system at any time.

**"South Texas Master Receipt Point List" or "South Texas MRPL"** shall mean the current list of meter stations and points available to Shippers with Primary Points of Receipt on the South Texas Modified Transmission System as posted on the Messenger® system at any time.

**"South Texas Modified Transmission System"** shall mean that portion of Trunkline's Field Zone located upstream of the inlet connection of the DCP Eagle Plant, Jackson County, Texas.

**"Specific Quantity"** shall mean a Quantity of Gas equal to the receipt nomination of each Shipper utilizing a TABS-1 Service Point.

**"Storage"** shall mean the injection by Trunkline of Gas for the account of Shipper into Trunkline's Epps Storage Field, the retention by Trunkline of that Gas for a period of time in Trunkline's Epps Storage Field, and the withdrawal of that Gas from Trunkline's Epps Storage Field, all pursuant to Rate Schedule NNS-1, NNS-2, FSS or ISS.

**"Stored Volume"** shall mean the Quantity of Gas, expressed in dekatherms, held by Trunkline in storage for Shipper's account at any point in time.

**"Summer Period"** shall mean the period from April 1 through October 31.

**"TABS-1 Party"** shall mean the entity that has executed a TABS-1 Service Agreement with Trunkline.

**"TABS-1 Service Area"** shall mean a specific geographic location where aggregated receipts are nominated and scheduled as more fully described in Rate Schedule TABS-1.

**"Transportation"** shall mean Forwardhaul, Backhaul, exchange or any other method of transport of Gas as defined in the FERC's Regulations, except Storage.

**"Transportation Service Agreement"** shall mean a Service Agreement for Transportation service provided under Rate Schedule FT, SST, EFT, QNT, LFT, IT or QNIT.

**"Trunkline"** shall mean Trunkline Gas Company, LLC.

**"Unauthorized Gas"** shall mean any Quantity of Gas either received or delivered at a meter without any Shipper nomination.

**"Web Site"** shall mean Trunkline's HTML page accessible via the Internet's World Wide Web located at <https://tgcmessenger.energytransfer.com>.

**"Winter Period"** shall mean the period from November 1 through March 31 of the next year.

**"Zone 1A"** shall mean the portion of Trunkline's system located on the discharge side of its Longville, Louisiana compressor station and extending north to the suction side of its Dyersburg, Tennessee compressor station.

**"Zone 1B"** shall mean the portion of Trunkline's system located on the discharge side of its Dyersburg, Tennessee compressor station and extending north to the suction side of its Tuscola, Illinois compressor station.

**"Zone 2"** shall mean the portion of Trunkline's system located on the discharge side of its Tuscola, Illinois compressor station and extending north to the terminus of its system.

**"Zone" or "Zones"** shall mean the portion of Trunkline's system located in the Field Zone, Zone 1A, Zone 1B or Zone 2 as defined in this Section 1.

## GENERAL TERMS AND CONDITIONS

### 9. CAPACITY RELEASE

#### 9.1 Capacity Eligible for Release

- (A) Shippers under Rate Schedules FT, EFT, QNT, LFT, FSS and NNS-1 shall be permitted to release their capacity on a temporary or permanent basis, in accordance with this Section 9. Capacity which may be assigned to the Replacement Shipper hereunder shall be limited to the firm capacity reserved by the Releasing Shipper, as defined by the primary Points of Receipt and the primary Points of Delivery contained in the released capacity. Releases may be made on an interruptible (i.e., subject to recall) or firm basis and may be billed by Trunkline based on usage.
- (B) Trunkline shall continue to sell its unsubscribed firm capacity by providing notice of the availability of such capacity on the Messenger® system or by using any other marketing services at its disposal.

#### 9.2 Shipper Release Notice

- (A) A Shipper that desires to release any or all of its firm capacity under this Section 9 must notify Trunkline electronically on the Messenger® system or through electronic data interchange of its intent to release capacity and the terms of the release (hereinafter referred to as "Shipper Notice"). A Shipper Notice shall be posted on the Messenger® system upon receipt by Trunkline or such later time which must comply with the timeline set forth in Section 9.4(B) herein, as requested by Releasing Shipper. This Shipper Notice shall include:
  - (1) Releasing Shipper's contract number;
  - (2) The specific quantity of capacity to be released;
  - (3) If the request for release is on a permanent basis;
  - (4) The Points of Receipt and Points of Delivery at which Releasing Shipper will release capacity and the quantity of capacity to be released at each point;
  - (5) The period of time or term of the release;
  - (6) The conditions of Releasing Shipper's right of recall as well as methods and rights associated with returning the previously recalled capacity to the Replacement Shipper, if applicable;

- (7) Whether contingent bids will be accepted and when the contingency must be removed;
- (8) The identity of a Pre-arranged Replacement Shipper (PRS), if applicable;
- (9) The minimum rate expressed in dollars and cents, percentage of Maximum Rate or the index-based formula as detailed in the capacity release offer, term, and quantity of capacity Releasing Shipper shall accept, if any, and whether bids using a volumetric rate for the collection of Reservation or Capacity and Deliverability Charges will be accepted and whether Releasing Shipper requires a volumetric commitment. The maximum volumetric rate that may be bid shall not exceed the one hundred percent (100%) load factor equivalent of the maximum Reservation or Capacity and Deliverability reservation rates. The one hundred percent (100%) load factor equivalent for such rates equals the overrun rate for the applicable service being released as set forth on the Currently Effective Rates for the applicable Rate Schedule. Trunkline shall support volumetric releases with volumetric commitments by fully accounting for volumetric and reservation components, consistent with the rules and regulations enunciated by the Commission. The maximum reservation rate that may be bid shall not exceed the Maximum Rate for the applicable service being released as set forth on the Currently Effective Rates for the applicable Rate Schedule. Notwithstanding the above, no rate limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Trunkline is notified of the release;
- (10) The duration of the posting which may not be less than the minimum bid period specified in Section 9.4(B) herein;
- (11) The best bid criterion, the method by which volumetric or contingent bids will be evaluated, and any alternate, objective and nondiscriminatory method for breaking ties. The best bid evaluation method established by Releasing Shipper must be objectively stated, applicable to all PRS or Replacement Shippers and not unduly discriminatory and shall enable Trunkline to rank the bids received by utilizing the weight assigned by Releasing Shipper to each element of the Shipper Notice;
- (12) If the release is for any period of thirty-one (31) days or less and is exempt from bidding in accordance with Section 9.3(A), the Releasing Shipper may designate in the Shipper Notice the winning bid criterion to be the first acceptable bid received;
- (13) Restrictions, if any, on the PRS or Replacement Shipper's ability to request changes in primary Points of Receipt or primary Points of Delivery;

- (14) Whether the Shipper Notice may be rejected in part in the event Trunkline rejects such Shipper Notice pursuant to Section 9.7; and
  - (15) Whether the Replacement Shipper is (a) an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations and, if so, include the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect or (b) a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.
- (B) Releasing Shipper shall post the Shipper Notice on the Messenger® system. Releasing Shipper may withdraw its Shipper Notice at any time prior to the close of the bid period specified in the Shipper Notice herein when unanticipated circumstances justify and no minimum bid has been made.
  - (C) When a Releasing Shipper presents a PRS that is on the approved bidders list, such PRS shall acknowledge the Shipper Release Notice electronically.
  - (D) The terms Releasing Shipper imposes may not conflict with any provision of the Service Agreement, Rate Schedule or General Terms and Conditions. In the event of such conflict, Trunkline may withdraw the Shipper Notice from posting.

### 9.3 Exceptions to Bidding

- (A) The following capacity releases are exempt from the bidding process set forth in Section 9.4 herein:
  - (1) A capacity release for any period of thirty-one (31) days or less. A firm shipper shall not roll over, extend or in any way continue such capacity release to the same Replacement Shipper until 28 days after the first release period has ended. This 28-day period does not apply to any release to the same Replacement Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding set forth in Sections 9.3(A)(2), (3) or (4) below.
  - (2) A capacity release for more than one year at the maximum tariff rate.
  - (3) A capacity release to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.
  - (4) A capacity release to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

- (B) In the event a capacity release is exempt from bidding in accordance with Section 9.3(A) herein, the Releasing Shipper presents a PRS that is on the approved bidders list, and such PRS agrees to all conditions of the release prior to the submission of the Shipper Notice to Trunkline, the released capacity will be assigned to the PRS and such Shipper Notice shall be exempt from the bidding process in accordance with Section 9.4 herein. The PRS will be posted as the winning bidder in accordance with Section 9.4(I) herein.

(C) Timing of Capacity Releases Exempt from Bidding

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 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 capacity release addendum is issued within one hour of the award posting (with a new capacity release addendum number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.

9.4 Bidding Process

- (A) In order to submit a valid bid under this capacity release program, any party, including a PRS, must be on the approved bidders list. To be on the approved bidders list, a party must meet the provisions of Section 2 herein and have executed a capacity release service agreement with Trunkline in the form as set forth in this Tariff (Capacity Release Service Agreement). A party shall remain on the approved bidders list until such party notifies Trunkline to the contrary, no longer meets the credit qualifications in Section 30 herein, or is suspended from the approved bidders list in the event and for such time as such party fails to pay part or all of the amount of any bill for service in accordance with Section 16 herein.
- (B) The capacity release timeline in Central Clock Time 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 Trunkline 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.

Further, Trunkline 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 Trunkline).

- (1) For biddable releases (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 Noon.
  - The capacity release addendum is issued within one hour of the award posting (with a new capacity release addendum number, when applicable).
  - Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.
- (2) For biddable releases (more than 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 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 Noon.
- The capacity release addendum is issued within one hour of the award posting (with a new capacity release addendum number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.

(3) Timeline for Releases with Special Conditions

For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. If the Releasing Shipper specifies a bid evaluation methodology other than highest rate, net revenue or present value, or a permanent release or any other special conditions, the above timelines shall apply; provided, however, one additional Business Day will be added to the evaluation period. Such extended evaluation period shall cause Gas flow to be at least one day later than Gas could flow under the timeline set forth in Section 9.4(B)(1) or Section 9.4(B)(2).

- (C) All bids must be expressed in dollars and cents, percentage of Maximum Rate or the index-based formula as detailed in the capacity release offer, whichever is stated in the Shipper Notice, include the required bid information and must be received and posted electronically through the Messenger® system. Bids shall be posted on the Messenger® system with any contingencies identified and with the bidder's identity deleted.
- (D) A bidder may submit only one bid at a time in response to a Shipper Notice. A bidder may withdraw its bid through the Messenger® system at any time prior to the close of the posting period specified in the Shipper Notice without prejudice to its submitting another bid with an economic value equal to or greater than the economic value of the withdrawn bid.
- (E) Where there is a PRS and a bid which is better than the bid submitted by the PRS, Trunkline will notify the PRS by 2:00 p.m. Central Clock Time on the day capacity is

awarded and the PRS will have until 2:30 p.m. to match the better bid and obtain the right to the released capacity. Trunkline shall issue an Addendum to the PRS unless a better bid, as defined in Section 9.2(A)(11) herein, is received within the time period specified in the posting. In the event the PRS does not match the better bid, Trunkline shall issue an Addendum to the party who made the best bid.

- (F) All bids not withdrawn prior to the close of the posting period specified in the Shipper Notice shall be binding.
- (G) In the event that a winning bid has a contingency, and Trunkline is not notified through the Messenger<sup>®</sup> system that such contingency has been removed within the time period specified in the Shipper Notice, such contingent bid will be rejected by Trunkline.
- (H) The Releasing Shipper may define in the Shipper Notice the criteria for determining the best bid. If the Releasing Shipper does not specify the criteria, Trunkline shall use the Net Present Value calculation as set forth in Section 10.3 herein to determine the best bid. If there are multiple bids meeting the minimum conditions, Trunkline shall rank the bids and Trunkline shall award the bids, best bid first, until all offered capacity is awarded. Trunkline will notify, through the Messenger<sup>®</sup> system by 2:00 p.m. Central Clock Time following the end of the posting period, or by 3:00 p.m. Central Clock Time if a matching period is applicable, the PRS or Replacement Shipper that capacity has been awarded.
- (I) Trunkline will post the winning bids and Replacement Shippers' identity on the Messenger<sup>®</sup> system for at least five Business Days.

#### 9.5 Rights and Obligations of Releasing Shipper

- (A) Regardless of the amount of capacity Releasing Shipper releases under this Section 9, Releasing Shipper shall remain liable for the Reservation Charges or Capacity and Deliverability Charges attributable to the released capacity unless otherwise agreed to in writing and in advance by Trunkline. In the event of a permanent release, Trunkline may, and will not unreasonably refuse to, waive liability of Releasing Shipper for the Reservation Charges, Capacity and Deliverability Charges or Conditional Reservation Charges. Such permanent release shall provide the same economic value as the original underlying agreement, or such difference shall be funded by the Releasing Shipper, unless Trunkline agrees otherwise.
- (B) When capacity is awarded to Replacement Shipper, Releasing Shipper must adjust or reconfirm its nominations to reflect the capacity released. Trunkline will automatically change Releasing Shipper's nominations to zero for the Service Agreement under which capacity was released unless such nominations are adjusted or reconfirmed by the Releasing Shipper.

- (C) If Releasing Shipper releases its MDQ for a geographic portion of the capacity reserved under its Service Agreement, Releasing Shipper may use its full MDQ for its unreleased geographic portion of capacity.
- (D) When Releasing Shipper partially releases its capacity under a Service Agreement by releasing capacity between specific Points of Receipt and Points of Delivery or by releasing only a portion of its MDQ or MCSC, Releasing Shipper's Service Agreement shall be deemed to be modified in accordance with the release and Releasing Shipper may not utilize the capacity released during the term of the release.
- (E) Releasing Shipper shall retain all Rights of First Refusal with respect to the released capacity, unless such release is a permanent release.
- (F) In the event of termination of a Replacement Shipper's Addendum pursuant to Section 9.6(C) herein, the released capacity related to such Addendum will revert to the Releasing Shipper.
- (G) Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity. For the recall notification provided to Trunkline, Trunkline's tariff should specify whether the quantity should be expressed in terms of a) total released capacity entitlements or b) adjusted total released capacity entitlements based upon the elapsed prorata capacity. The capacity entitlements resulting from the use of either a) or b) should be the same. The recall notification to Trunkline shall specify the Quantity in terms of total released capacity entitlements.

#### 9.6 Rights and Obligations of Replacement Shipper

- (A) Any bid submitted will bind Replacement Shipper or PRS to the terms of the bid if Trunkline selects such bid as the best bid. If all the information provided by the Releasing Shipper and the bidder/PRS is valid, the Replacement Shipper is creditworthy, and there are no special terms and conditions, Trunkline will issue and execute the Addendum to the Capacity Release Service Agreement within one hour of awarding the winning bid. The capacity release addendum number also will be issued within one hour of the award posting.
- (B) Replacement Shipper may submit nominations pursuant to Section 3 herein beginning at the next available nomination cycle for the effective date of the capacity release addendum; however, in no event will Gas flow on Replacement Shipper's Service Agreement prior to the effective date of the release as posted in the Shipper Notice.

- (C) Replacement Shipper is responsible for payment of the applicable Reservation Charge or Capacity and Deliverability Charges, and any surcharges thereon, in the amount of its winning bid. Replacement Shipper is also responsible for all other billings, e.g., usage rate and applicable usage surcharges. In the event of payment default, subject to Section 16 herein, Trunkline may elect to terminate that Replacement Shipper's Capacity Release Service Agreement which shall terminate all service thereunder utilized by the Replacement Shipper.
- (D) Once Replacement Shipper or PRS is notified of a winning bid, such Replacement Shipper or PRS shall have all the rights and obligations specified under the Releasing Shipper's Rate Schedule, the Releasing Shipper's Service Agreement and the General Terms and Conditions of this Tariff including the right to release firm capacity pursuant to this Section unless the conditions prescribed by the Shipper Notice require otherwise.
- (E) A Replacement Shipper shall have the right to reserve primary point capacity up to its MDQ, subject to available capacity.
- (F) Replacement Shipper shall have no Right of First Refusal with respect to the released capacity, unless such release is permanent.
- (G) Replacement Shippers for a capacity release with a term of one year or less that are paying a rate which exceeds the Maximum Rate shall be considered to be paying the Maximum Rate for purposes of scheduling.

#### 9.7 Rights and Obligations of Trunkline

Trunkline shall determine, in its sole discretion, the best bid based upon the best bid criteria established pursuant to Section 9.2(A)(11) or Section 9.4(H) herein. Trunkline shall have the right, but not the obligation, to reject, in whole or in part, the terms of any Shipper Notice or bid which is discriminatory or conflicts with any order or regulation issued by the FERC, or provision of the Service Agreement, Rate Schedule or General Terms and Conditions. Such Shipper Notice shall be rejected in its entirety unless Shipper, pursuant to Section 9.2(A)(14), permits a partial rejection. Trunkline shall provide simultaneous notification to Shipper, through the Messenger<sup>®</sup> system, of the reason(s) for rejecting a release notice with the notice of rejection. Trunkline shall not have any liability to any Shipper, Releasing Shipper, Replacement Shipper, bidder or any other party as a result of Trunkline's performance of its obligations under its capacity release program, and such Shippers, Releasing Shippers, Replacement Shippers, and bidders shall indemnify Trunkline from and against any and all losses, damages, expenses, claims, suits, actions and proceedings whatsoever threatened, incurred or initiated as a result of Trunkline's performance hereunder, except to the extent such loss, damage, expense, claim, suit, action or proceeding is the result of Trunkline's negligence, bad faith or willful misconduct.

9.8 Term

- (A) Any release under this Section 9 shall be for a minimum term of at least one Gas Day.
- (B) Any release under this Section 9 shall be for a maximum term expiring on the earlier of:
  - (1) The last date this Tariff provision shall be effective;
  - (2) The expiration date of Releasing Shipper's Service Agreement when the release is for the full term of such agreement; or
  - (3) The expiration date specified by the Releasing Shipper in the Shipper Notice.

9.9 Billing Adjustments to Releasing Shipper

- (A) Trunkline shall credit Releasing Shipper's monthly bill to reflect the Reservation Charge or Capacity and Deliverability Charges (including surcharges, if any) invoiced to Replacement Shipper excluding any reservation charge credit that Replacement Shipper may have received pursuant to Section 29; provided, however, that Trunkline and Releasing Shipper may, in connection with a Negotiated Rate based on a rate design other than straight fixed variable, agree upon a payment obligation and crediting mechanism that varies from or is in addition to the provisions of this Section 9.9 in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. In the event of a release with a volumetric rate, the volumetric rate shall be no greater than the 100% load factor equivalent of the Maximum Rate currently applicable to the service released and shall be credited to the Releasing Shipper's monthly bill. Replacement Shipper's payment of the Usage Charge and applicable usage surcharges, if any, will be retained by Trunkline. Notwithstanding the above, no 100% load factor equivalent limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Trunkline is notified of the release.
- (B) If Replacement Shipper fails to pay all or any part of the Reservation Charge or Capacity and Deliverability Charges so credited within thirty (30) days of its due date, then such unpaid amount plus interest will be charged to Releasing Shipper's next monthly bill and will be due and payable by Releasing Shipper in accordance with Section 16 herein.

- (C) Trunkline and Releasing Shipper may enter into a marketing agreement. In the event Trunkline issues an Addendum to a Replacement Shipper found by Trunkline pursuant to such marketing agreement, any negotiated marketing fee will be debited to Releasing Shipper's invoice.

9.10 Requests to Purchase Releasable Capacity

Any party may initiate a request to purchase releasable firm capacity by following the instructions posted on Trunkline's Informational Postings Web Site located at <https://tgcmessage.energytransfer.com> under "Notices, Request to Purchase Releasable Capacity." The form shall specify the terms and conditions of the request and the location of the posting on Trunkline's Informational Postings Web Site. Such offer to purchase released capacity shall be posted on Trunkline's Web Site for 30 days.

9.11 Bankruptcy

In the event a Releasing Shipper subject to proceedings under any chapter of the bankruptcy laws rejects its Service Agreement, Trunkline may send a written notification of Trunkline's intent to terminate the Replacement Shipper's Service Agreement effective thirty (30) calendar days from the date of the notice (Termination Notice Period) unless Replacement Shipper(s) agrees to retain its capacity for the remainder of the term of the respective Replacement Shipper's Service Agreement at a rate that is no lower than the lesser of the Releasing Shipper's rate or the Maximum Rate. Replacement Shipper shall have ten (10) Business Days from the date of the written notice to advise Trunkline in writing of its decision. If Replacement Shipper does not exercise its option to retain the capacity, then the Replacement Shipper's Service Agreement shall terminate at the end of the Termination Notice Period.

If Replacement Shipper(s) timely exercises its option to retain the capacity, the Replacement Shipper(s), prior to the end of the Termination Notice Period, will execute a new Service Agreement pursuant to the terms and conditions of the applicable Rate Schedule reflecting the revised rate to be effective beginning on the first day after the end of the Termination Notice Period.

## GENERAL TERMS AND CONDITIONS

### 21. ANNUAL CHARGE ADJUSTMENT PROVISION (ACA)

#### 21.1 Purpose

Annual charges are assessed on Gas pipelines by the Commission under Part 382 of the Commission's Regulations prior to each fiscal year in order to cover the cost of the operation of the FERC. For the purpose of recovering such charges assessed Trunkline by the Commission, pursuant to Section 154.402 of the Commission's Regulations, an ACA unit charge shall be applicable to Quantities transported under Trunkline's Rate Schedules FT, SST, EFT, QNT, LFT, IT and QNIT. The ACA unit charge calculated by the Commission is in addition to any amounts otherwise payable to Trunkline under said Rate Schedules.

#### 21.2 ACA Unit Charge

The ACA unit charge , as revised annually and posted on the Commission's website located at <https://ferc.gov>, is incorporated by reference in Trunkline's Tariff. The annual charges unit charge (ACA unit charge) is stated on the Commission's website under "Natural Gas, Overview, General Information, Annual Charges, FY [Year] Gas Annual Charges Correction for Annual Charges Unit Charge." The ACA unit charge is restated to be effective each October 1 on the first day of the Commission's fiscal year.

#### 21.3 Payment by Shipper

The amount of applicable Shipper's ACA unit charge shall be due and payable with the bill for the Month for each such Shipper.



MARKED VERSION

### System Map

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

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/system-map>

### Field Zone Map

The Field Zone Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/field-zone>

### Zone 1A Map

The Zone 1A Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/zone1a>

### Zone 1B Map

The Zone 1B Map may be viewed and downloaded at the Internet Web site below.

| <https://tgcmessage.energytransfer.com/ipost/TGC/maps/zone1b>

## Zone 2 Map

The Zone 2 Map may be viewed and downloaded at the Internet Web site below.

<https://tgcmessage.energytransfer.com/ipost/TGC/maps/zone2>

RATE SCHEDULE FT  
FIRM TRANSPORTATION

1. AVAILABILITY

This Rate Schedule FT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule FT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule FT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a uniform hourly basis up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of

Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service provided at the primary and secondary Points of Receipt and primary and secondary Points of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 3 and 4 of the General Terms and Conditions.

2.4 Tolerance Level

The Tolerance Level under this Rate Schedule FT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

3. RATE

The rates and charges for firm service under this Rate Schedule FT shall be as follows:

3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule FT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule FT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all



Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule FT; and
- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule FT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule FT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FT.

### 3.4 Surcharges

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule FT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule FT or which otherwise may be applicable to service under this Rate Schedule FT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable

Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule FT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule FT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule FT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charge

- (A) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rates for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule FT.
- (B) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of

Receipt identified as a Gathering Point of Receipt on the MRPL, or the South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule FT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

### 3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

### 3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule FT; ~~shall not be less than the Minimum Rate~~; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service

Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and ~~conditions~~ of service.

4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule FT.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule FT, the provisions of this Rate Schedule FT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule FT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE EFT  
ENHANCED FIRM TRANSPORTATION

1. AVAILABILITY

This Rate Schedule EFT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule EFT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule EFT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a basis consistent with Section 2.4 hereof, up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity and operating capabilities of Trunkline's system, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ

shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service provided at the primary and secondary Points of Receipt and primary and secondary Points of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 3 and 4 of the General Terms and Conditions.

2.4 Flow Rate of Delivered Quantities

Shipper is allowed to take at any Point of Delivery during any hour between fifty percent (50%) and one hundred fifty percent (150%) of the uniform hourly Quantities scheduled for Transportation to such Point of Delivery and will not incur a daily scheduling penalty if the total Quantities delivered for the Gas Day at such point are within the Tolerance Level specified in Section 2.5 herein.

2.5 Tolerance Level

The Tolerance Level under this Rate Schedule EFT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

3. RATE

The rates and charges for firm service under this Rate Schedule EFT shall be as follows:

3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule EFT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones

located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule EFT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule EFT; and
- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule EFT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule EFT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule EFT.

### 3.4 Surcharges

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions, and as set forth on the Currently Effective Rates for Rate Schedule EFT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule EFT or which otherwise may be applicable to service under this Rate Schedule EFT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule EFT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule EFT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule EFT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule EFT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charge

- (A) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable



charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rate for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule EFT.

- (B) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule EFT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

### 3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

### 3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule EFT; ~~shall not be less than the Minimum Rate~~; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing

adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule EFT; provided that, in addition to the intraday nominations under Section 3.1(C) of the General Terms and Conditions, Shipper may make one intraday nomination each day to be effective on a prospective basis on any hour of the Gas Day. The total nominations for one Gas Day shall not exceed Shipper's MDQ, unless authorized by Trunkline. Shipper's intraday nomination shall be implemented upon confirmation by the operators of the Points of Receipt and Delivery and if Trunkline's system operating conditions will allow such intraday nomination, except that an intraday nomination will not be implemented to the extent it would result in a change to any other Shipper's scheduled and flowing Quantities for that Gas Day. Quantities shall be deemed to be flowing if the operator at the Point of Receipt or Point of Delivery has confirmed Shipper's nomination.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule EFT, the provisions of this Rate Schedule EFT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule EFT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE QNT  
QUICK NOTICE TRANSPORTATION

1. AVAILABILITY

This Rate Schedule QNT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule QNT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule QNT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a uniform hourly basis up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity and operating capabilities of Trunkline's system, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of

Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service provided at the primary and secondary Points of Receipt and primary and secondary Points of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 3 and 4 of the General Terms and Conditions.

2.4 Tolerance Level

The Tolerance Level under this Rate Schedule QNT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

3. RATE

The rates and charges for firm service under this Rate Schedule QNT shall be as follows:

3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule QNT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule QNT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule QNT; and
- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule QNT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule QNT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule QNT.

### 3.4 Surcharges

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule QNT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule QNT or which otherwise may be applicable to service under this Rate Schedule QNT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule QNT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline

shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule QNT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantities of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule QNT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule QNT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charge

- (A) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rate for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule QNT.
- (B) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such

excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule QNT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

### 3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

### 3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule QNT; ~~shall not be less than the Minimum Rate~~; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule QNT; provided that, in addition to the intraday nominations under Section 3.1(C) of the General Terms and Conditions, Shipper may make one intraday nomination per hour to be effective on a prospective basis on any hour of the Gas Day if such intraday nomination is submitted before 4 p.m. Central Time on any Business Day and before 11 a.m. Central Time on Federal Banking Holidays and weekends. The total nominations for one Gas Day shall not exceed Shipper's MDQ, unless authorized by Trunkline. Shipper's intraday nomination shall be implemented upon confirmation by the operators of the Points of Receipt and Delivery and if Trunkline's system operating conditions will allow such intraday nomination, except that an intraday nomination will not be implemented to the extent it would result in a change to any other Shipper's scheduled and flowing Quantities for that Gas Day. Quantities shall be deemed to be flowing if the operator at the Point of Receipt or Point of Delivery has confirmed Shipper's nomination.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule QNT, the provisions of this Rate Schedule QNT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule QNT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.



RATE SCHEDULE LFT  
LIMITED FIRM TRANSPORTATION

1. AVAILABILITY

This Rate Schedule LFT is available to any party (hereinafter called Shipper) which has requested firm Transportation service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule LFT. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule LFT is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

The firm service provided hereunder is the Transportation of Natural Gas on a basis consistent with Section 2.4 hereof, up to the Maximum Daily Quantity (MDQ) set forth in the Service Agreement, subject to the availability of capacity and operating capabilities of Trunkline's system, the General Terms and Conditions and the further provisions of the Service Agreement. Shipper's MDQ shall be a uniform Quantity throughout the term of the Service Agreement, except that Trunkline may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDQ for specified periods during the term of the Service Agreement. The effective period of each MDQ level shall be specified in the executed Service Agreement. Trunkline is not obligated to provide any Transportation service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.1 Points of Receipt

Shipper may designate in the Service Agreement multiple primary Points of Receipt, each of which will have a Maximum Daily Receipt Obligation (MDRO). Shipper's MDQ shall equal the sum of the MDROs at Shipper's primary Points of Receipt. Points of Receipt on Trunkline's Master Receipt Point List (MRPL) or South Texas Master Receipt Point List (South Texas MRPL), as applicable, are available as secondary Points of Receipt if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein. If the Gathering Charge is applicable in accordance with Section 3.3 herein, Points of Receipt identified as Gathering Points of Receipt on the MRPL or South Texas MRPL, as applicable, are also available as secondary Points of Receipt.

2.2 Points of Delivery

Shipper may designate in the Service Agreement multiple primary Points of Delivery, each of which will have a Maximum Daily Delivery Obligation (MDDO). Shipper's MDQ

shall equal the sum of the MDDOs at Shipper's primary Points of Delivery. Points of Delivery on Trunkline's Master Delivery Point List (MDPL) or South Texas Master Delivery Point List (South Texas MDPL), as applicable, are also available as secondary Points of Delivery if the points are within or between the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein.

- 2.3 Service at the primary and secondary Points of Receipt and Points of Delivery shall be provided on a firm basis subject to Trunkline's right not to schedule service in whole or in part on any Gas Day, but not more than ten (10) Gas Days in each Month. Service that is scheduled under Rate Schedule LFT shall be considered firm service and thus shall be subject to the Nomination and Scheduling of Services, and Curtailment and Interruption procedures included in Sections 3 and 4 of the General Terms and Conditions. Shippers under Rate Schedule LFT may release all or a portion of their MDQ in accordance with the procedures established for Capacity Release under Section 9 of the General Terms and Conditions.

If Trunkline receives an acceptable request for firm Transportation service pursuant to Rate Schedule FT, EFT or QNT that can only be provided by reducing the MDQ of services under this Rate Schedule, Trunkline shall notify the Shipper(s) that has the lowest priority of service under this Rate Schedule of the reductions in its or their MDQ under this Rate Schedule which are necessary to furnish Transportation Service under Rate Schedule FT, EFT or QNT. Priority of service for purposes of the preceding sentence shall be determined as provided in Section 10.3 of the General Terms and Conditions. Such reduction shall be made on the date specified in such notification, which date shall be no less than thirty (30) days after the date of such notification. Such notified Shipper under this Rate Schedule may, within said thirty (30) days, convert that portion of service provided under this Rate Schedule which is equal to such reduction, to service under Rate Schedule FT, EFT or QNT by executing a Service Agreement under Rate Schedule FT, EFT or QNT which conversion shall have priority over the pending request for service under Rate Schedule FT, EFT or QNT which caused such notification, assuming such Rate Schedule LFT Shipper agrees to a service under Rate Schedule FT, EFT or QNT that will have a net present value that equals or exceeds the net present value of the Rate Schedule FT, EFT or QNT pending request, or such notified Shipper may convert that portion of service provided under this Rate Schedule which is equal to such reduction to service under Rate Schedule IT or QNIT by executing a Service Agreement for such service, or such notified Shipper may terminate any remaining portion of service provided under this Rate Schedule. Conversions to Rate Schedule IT or QNIT service shall maintain the original priority date under this Rate Schedule, for purposes of priority of service pursuant to Sections 3 and 4 of the General Terms and Conditions.

- 2.4 Flow Rate of Delivered Quantities

Shipper is allowed to take at any Point of Delivery during any hour between fifty percent (50%) and one hundred fifty percent (150%) of the uniform hourly Quantities scheduled

for Transportation to such Point of Delivery and will not incur a daily scheduling penalty if the total Quantities delivered for the Gas Day at such point are within the Tolerance Level specified in Section 2.5 herein.

## 2.5 Tolerance Level

The Tolerance Level under this Rate Schedule LFT shall be ten percent (10%) at Points of Delivery and the greater of ten percent (10%) or 1,000 Dt at Points of Receipt. Daily scheduling variances in excess of the Tolerance Level shall be subject to a daily scheduling penalty calculated in accordance with Section 5 of the General Terms and Conditions.

## 3. RATE

The rates and charges for firm service under this Rate Schedule LFT shall be as follows:

### 3.1 Reservation Charge

- (A) If both the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located within the same Zone, the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the applicable reservation rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule LFT; and
- (B) If the primary Points of Receipt and primary Points of Delivery as designated in the Service Agreement are located in different Zones, then the monthly Reservation Charge shall be the product of the MDQ, or applicable portion thereof, at such primary Points of Delivery and the sum of the applicable reservation rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule LFT.

The Reservation Charge shall be prorated for the first and last contract Months to adjust for the number of days during those Months for which service was contracted. In the event commencement of services contracted for is contingent upon the repair, upgrade, construction of facilities, financial considerations or third party contingencies, Trunkline may waive any or all Reservation Charges until a mutually agreed upon date following the resolution of the applicable contingency.

### 3.2 Usage Charge

- (A) If both the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located within the same Zone, the monthly Usage Charge shall be the

product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the applicable usage rate per Dt for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule LFT; and

- (B) If the applicable Points of Receipt and applicable Points of Delivery as determined in accordance with Section 3 of the General Terms and Conditions are located in different Zones, then the monthly Usage Charge shall be the product of the actual Quantity of Gas delivered, or applicable portion thereof, during the Month and the sum of the applicable usage rates per Dt for service within the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule LFT.

### 3.3 Gathering Charge

If Shipper designates a primary Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, then, in addition to the Reservation and Usage Charges established in Sections 3.1 and 3.2 of this Rate Schedule LFT, Shipper shall pay a monthly Gathering Charge which shall be the product of the MDRO at such primary Point of Receipt and the applicable Gathering reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule LFT.

### 3.4 Surcharge

Shipper shall pay all reservation and usage surcharges specified in Section 21 of the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule LFT. In addition, the Reservation and Usage Charges shall include all other applicable surcharges specified in the General Terms and Conditions and as set forth on the Currently Effective Rates for Rate Schedule LFT or which otherwise may be applicable to service under this Rate Schedule LFT from time to time.

### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to a Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule LFT, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively and only to those Points of Receipt and Points of Delivery identified in writing. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Transportation service at a rate less than the Maximum Rate per Dt.

### 3.6 Fuel Reimbursement

Shipper shall reimburse Trunkline in kind for fuel usage and lost or unaccounted for Gas:

- (A) If Shipper's Points of Receipt and Points of Delivery are located within the same Zone, the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the applicable Fuel Reimbursement percentage for service within the Zone, as set forth on the Currently Effective Rates for Rate Schedule LFT; and
- (B) If the Points of Receipt and Points of Delivery are located in different Zones, then the monthly Fuel Reimbursement shall be the product of the actual Quantity of Gas received, or applicable portion thereof, during the Month and the sum of the applicable Fuel Reimbursement percentages for service within each of the respective Zones and any Zones located between such Zones, as set forth on the Currently Effective Rates for Rate Schedule LFT.
- (C) In lieu of the fuel charges in Section 3.6(A) or (B) above, Trunkline shall assess a zero charge for fuel usage for transactions specified in Section 28.7 of the General Terms and Conditions that do not require the use of compression on Trunkline's system. The lost or unaccounted for Gas component, which is identified as the Backhaul fuel reimbursement percentage on the Currently Effective Rates for Rate Schedule LFT, shall apply.
- (D) Fuel reimbursement for transactions in the South Texas Modified Transmission System shall be calculated separately pursuant to Section 22.6 of the General Terms and Conditions.

### 3.7 Overrun Charges

- (A) Overrun Charge for Takes in Excess of MDQ and MDRO
  - (1) If during the Month, Shipper takes Quantities in excess of the MDQ as stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the sum of the applicable overrun rates for the Zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule LFT.
  - (2) If during the Month, Shipper takes Quantities in excess of the MDRO, as stated in the Service Agreement for the service provided hereunder, from a Point of Receipt identified as a Gathering Point of Receipt on the MRPL or South Texas MRPL, as applicable, the applicable charge per Dt shall be the product of such excess Quantities and the applicable

overrun rate as set forth on the Currently Effective Rates for Rate Schedule LFT.

In addition, Shipper may be subject to the unauthorized overrun penalty as set forth in Section 5.3 of the General Terms and Conditions.

(B) Overrun Charges for Takes in Excess of Monthly Allowable Quantities

If during the Month, Shipper takes Quantities in excess of the Monthly Allowable Quantity of Gas, Shipper shall be subject to an overrun charge for such excess Quantities in addition to the applicable reservation and commodity charges, and any balancing or other charges that may be applicable pursuant to Section 5, 6 or 13 of the General Terms and Conditions. The Monthly Allowable Quantity of Gas shall be determined by multiplying the Maximum Daily Quantity set forth in the Service Agreement under this Rate Schedule times the number of days of firm service allowed for such Month. The number of days of firm service allowed for each Month shall be the result of the number of days in the Month minus ten. The applicable charge per Dt for any Quantity of Gas taken during the Month in excess of the Monthly Allowable Quantity shall be the product of such excess Quantities and the sum of the applicable overrun rates for the zones used to calculate the Reservation Charge in accordance with Section 3.1 herein, as set forth on the Currently Effective Rates for Rate Schedule LFT.

(C) Overrun Charge for Takes During a Period in Which Service is not Scheduled

If, pursuant to Section 2.3 hereof, Shipper has been notified that its service is not being scheduled, either completely or partially, Shipper must limit its takes to the level permitted in the notification for scheduled service. If Shipper's takes exceed the level permitted during such period service is not scheduled, the applicable charge per Dt for volumes in excess of those permitted shall be \$15 or two times the Spot Index Price calculated in accordance with Section 5.2(F) of the General Terms and Conditions, whichever is greater.

3.8 Transportation Balancing and Other Charges

If balancing or other charges are incurred in accordance with the General Terms and Conditions, including Sections 5, 6 or 13 thereof, then such charges shall also be applicable.

3.9 [Reserved for Future Use]

### 3.10 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule LFT; ~~shall not be less than the Minimum Rate~~; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

## 4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule LFT; provided that, in lieu of the nomination adjustment under Section 3.1(D) of the General Terms and Conditions, Shipper may make one nomination adjustment each day to be effective on a prospective basis on any hour of the Gas Day if such nomination adjustment is submitted before 4 p.m. on any Business Day and before 11 a.m. on Trunkline holidays and weekends. The change in Quantity shall not exceed twenty- five percent (25%) of the previously nominated and confirmed receipt or delivery Quantities for such Gas Day and shall be included in the calculation of the total nomination applicable to such Gas Day. The total nominations for one Gas Day shall not exceed Shipper's MDQ, unless authorized by Trunkline. Shipper's nomination adjustment shall be implemented upon confirmation by the operator of the Point of Receipt and if Trunkline's system operating conditions will allow such adjustment, except that a nomination adjustment will not be implemented to the extent it would result in a change to any other Shipper's scheduled and flowing Quantities for that Gas

Day. Quantities shall be deemed to be flowing if the operator at the Point of Receipt or Point of Delivery has confirmed Shipper's nomination.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule LFT, the provisions of this Rate Schedule LFT shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule LFT and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.



RATE SCHEDULE FSS  
FIRM STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule FSS is available to any party (hereinafter called Shipper) that has requested firm Storage service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has executed a Service Agreement with Trunkline for service under this Rate Schedule FSS. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule FSS is a part.

Shipper shall arrange separately with Trunkline or others as necessary for any Transportation attendant to the Storage service provided hereunder and Shipper shall pay separately for such Transportation services.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The firm service provided hereunder is the Storage of Natural Gas up to the Maximum Contract Storage Capacity (MCSC) set forth in the Service Agreement, subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Service Agreement. Trunkline is not obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.2 The service provided hereunder consists of the injection of Shipper's Gas into storage during the Summer Period, storage in Trunkline's Epps Storage Field, and the subsequent withdrawal from storage of Shipper's Gas during the Winter Period, all on a firm basis. Winter Period injections and Summer Period withdrawals will be permitted on an interruptible basis, subject to Trunkline's management of storage to preserve deliverability. Maximum Daily Withdrawal Quantities (MDWQ) and Maximum Daily Injection Quantities (MDIQ) shall be as stated in the Service Agreement. The MDWQ shall not be less than 1/120 of MCSC for the Winter Period, and the MDIQ shall not be less than 1/200 of MCSC for the Summer Period.

Available withdrawal Quantities will vary according to the percentage of Shipper's Stored Volume to the MCSC as follows:

Percentage of Stored Volume to the Maximum Contract <u>Storage Capacity</u>	Available Withdrawal <u>Quantities</u>
100% - 70%	100% of MDWQ
<70% - 50%	75% of MDWQ
<50% - 0%	60% of MDWQ

2.3 The available Stored Volume shall be increased, up to the MCSC, by the Quantity of Gas Shipper transfers into storage in accordance with Section 2.4 herein. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of storage in accordance with Section 2.4 herein.

2.4 In-Field Transfers of Storage Inventory

(A) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule FSS, NNS-1 or NNS-2, if:

- (1) Both the transferee and transferor of the Stored Volume provide Trunkline with verification of the transfer in writing; and
- (2) The transfer does not cause the Stored Volume to exceed the MCSC specified in the applicable Service Agreement.

(B) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule ISS, if:

- (1) Shipper receives prior approval from Trunkline for such transfer; and
- (2) All of the requirements of Section 2.4(A) above are met.

(C) Trunkline will recognize the transfer for purposes of computing available Stored Volume on a prospective basis within one Business Day after receiving the verification required by Section 2.4(A)(1).

2.5 Cycling Requirement

If the Stored Volume of Shipper is not reduced to ten percent (10%) of MCSC or less prior to April 1 of any Contract Year, then Trunkline shall retain any Stored Volume in excess of ten percent (10%) of the MCSC.

### 3. RATES

The rates and charges for firm service under this Rate Schedule FSS shall be as follows:

#### 3.1 Capacity Charge

The monthly Capacity Charge shall be the product of 1/12th the MCSC and the capacity rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.2 Deliverability Charge

The monthly Deliverability Charge shall be the product of the MDWQ and the deliverability rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.3 Injection Charge

The Injection Charge shall be the product of the Quantity of Gas actually received from Shipper and injected into storage during the Month and the injection rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.4 Withdrawal Charge

The Withdrawal Charge shall be the product of the Quantity of Gas actually withdrawn from storage and delivered to Shipper during the Month and the withdrawal rate per Dt as set forth on the Currently Effective Rates for Rate Schedule FSS.

#### 3.5 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to Shipper for service hereunder shall be the applicable Maximum Rate set forth on the Currently Effective Rates for Rate Schedule FSS, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applied prospectively. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for Storage service at a rate less than the Maximum Rate per Dt.

#### 3.6 Overrun Charge

If during the Month, Shipper injects into storage or withdraws from storage Quantities in excess of the MDIQ or MDWQ, as applicable, stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective

Rates for Rate Schedule FSS. The Overrun Charge will not apply to Winter Period injections and Summer Period withdrawals if the Quantities injected or withdrawn are within the MDIQ or MDWQ, as applicable.

### 3.7 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2, 3.3 and 3.4 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule FSS; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.7 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

## 4. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule FSS.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule FSS, the provisions of this Rate Schedule FSS shall govern.

5. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule FSS and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE NNS-1  
NO NOTICE SERVICE

1. AVAILABILITY

1.1 This Rate Schedule NNS-1 is available to any party (hereinafter called Shipper) that has requested No Notice Service pursuant to Section 2 of the General Terms and Conditions of this Tariff and, after review and acceptance of such request by Trunkline, has:

- (A) Executed a Transportation Service Agreement with Trunkline and
- (B) Executed a Service Agreement with Trunkline for service under this Rate Schedule NNS-1. Such Service Agreement shall be in the form contained in Trunkline's FERC Gas Tariff, Fourth Revised Volume No. 1, of which this Rate Schedule NNS-1 is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule NNS-1 shall apply to No Notice Service. Shipper may also use the service hereunder for nominated Storage service.

The service provided hereunder consists of the injection by Trunkline of Shipper's Gas into storage, storage in Trunkline's Epps Storage Field, and the subsequent withdrawal from storage, all on a firm basis. Injections may be made at any time, subject to available Maximum Contract Storage Capacity (MCSC) set forth in the Service Agreement. The Maximum Daily Injection Quantity (MDIQ) shall be 1/120th of the MCSC. Withdrawals may be made at any time, subject to available Stored Volumes. The Maximum Daily Withdrawal Quantity (MDWQ) shall be 1/75th of the MCSC. The available Stored Volumes shall be increased, up to the MCSC, by the Quantity of Gas Shipper transfers into storage under this Rate Schedule NNS-1 in accordance with Section 2.6 hereof. The available Stored Volumes shall be reduced by the Quantity of Gas Shipper transfers out of storage under this Rate Schedule NNS-1 in accordance with Section 2.6 hereof.

Service under this Rate Schedule NNS-1 is subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Service Agreement. Trunkline is not obligated to provide any service under this Rate Schedule NNS-1 for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

2.2 No Notice Service

- (A) The No Notice Service provided hereunder allows Shipper to increase, up to MDQ, or decrease Transportation deliveries at Eligible Points of Delivery under its Designated Transportation Service Agreement on any Gas Day without nominating such increase or decrease and without incurring daily scheduling penalties to the extent such increases or decreases are in accordance with the provisions of this Rate Schedule NNS-1.
- (B) To provide the No Notice Service hereunder, when the Quantity of Gas delivered at Eligible Points of Delivery on Shipper's Designated Transportation Service Agreement is less than the Quantity of Gas scheduled for delivery at such points, Trunkline will automatically inject the difference into storage on Shipper's behalf up to Shipper's MDIQ, subject to Shipper's available MCSC; when the Quantity of Gas delivered at Eligible Points of Delivery on Shipper's Designated Transportation Service Agreement is greater than the Quantity of Gas scheduled for delivery at such points, Trunkline will automatically withdraw the difference from storage on Shipper's behalf up to Shipper's MDWQ, subject to the available Stored Volume.

2.3 Shipper may nominate injections up to its MDIQ into storage along with a corresponding nomination on Shipper's Designated Transportation Service Agreement subject to available MCSC. Shipper may nominate withdrawals up to its MDWQ and available Stored Volumes from storage along with a corresponding nomination on Shipper's Designated Transportation Service Agreement. Any such nomination will reduce the MDWQ or MDIQ that Trunkline has available to balance Shipper's deliveries in accordance with the No Notice feature described in Section 2.2 hereof.

2.4 For purposes of this Rate Schedule NNS-1, a Designated Transportation Service Agreement may be any Service Agreement with a Shipper under Rate Schedule FT, SST, EFT, QNT or LFT that specifies as a primary Point of Receipt Trunkline's Epps Storage Field with an MDRO equal to the MDWQ under the Shipper's NNS-1 Service Agreement and specifies as a primary Point of Delivery Trunkline's Epps Storage Field with an MDDO equal to the MDIQ under the Shipper's NNS-1 Service Agreement. The MDRO and MDDO specified at the Epps Storage Field will not serve to reduce the MDRO and MDDO the Shipper may assign to other primary Points of Receipt and Delivery.

2.5 Eligible Points of Delivery

Eligible Points of Delivery for the No Notice Service provided under this Rate Schedule NNS-1 shall be as specified in the Rate Schedule NNS-1 Service Agreement.

2.6 In-Field Transfers of Storage Inventory

- (A) For any transfer by sale or otherwise of all or a portion of Shipper's Stored Volume, the following are required:
  - (1) Both the transferee and transferor of the Stored Volume shall provide Trunkline with verification of the transfer in writing; and
  - (2) The transfer shall not cause the Stored Volume to exceed the MCSC specified in the applicable Service Agreement.
- (B) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule FSS, if:
  - (1) Rate Schedule NNS-1 Shipper agrees to pay the Field Zone transportation charge under its Designated Transportation Service Agreement for the Quantity of Gas transferred when its furthest upstream primary Point of Receipt is located in the Field Zone at the time of injection and Shipper has not already paid such Field Zone transportation charge; and
  - (2) All of the requirements of Section 2.6(A) above are met.
- (C) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule NNS-1 or NNS-2, if:
  - (1) Shipper agrees to pay the Field Zone transportation charge under its Designated Transportation Service Agreement for the Quantity of Gas transferred when its furthest upstream primary Point of Receipt is located in the Field Zone at the time of injection and Shipper has not already paid such Field Zone transportation charge; and
  - (2) All of the requirements of Section 2.6(A) above are met.
- (D) Shipper may transfer by sale or otherwise all or a portion of its Stored Volume to any Shipper that receives Storage service under Rate Schedule ISS, if:
  - (1) Shipper receives prior approval from Trunkline for such transfer; and
  - (2) All of the requirements of Sections 2.6(A) and 2.6(B) above are met.
- (E) Trunkline will recognize the transfer for purposes of computing the available Stored Volume on a prospective basis within one Business Day after receiving the verification required by Section 2.6(A)(1).



### 3. RATE

The rates and charges for firm service under this Rate Schedule NNS-1 shall be as follows:

#### 3.1 Reservation Charge

The monthly Reservation Charge shall be the product of the MDWQ and the reservation rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

#### 3.2 Injection Charge

The Injection Charge shall be the product of the Quantity of Gas injected into storage, whether in accordance with a nomination by Shipper or in accordance with Section 2.2 of this Rate Schedule NNS-1, during the Month, and the injection rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

#### 3.3 Withdrawal Charge

The Withdrawal Charge shall be the product of the Quantity of Gas withdrawn from storage, whether in accordance with a nomination by Shipper or in accordance with Section 2.2 of this Rate Schedule NNS-1, during the Month, and the withdrawal rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

#### 3.4 Range of Rates

Unless otherwise agreed to in writing between Shipper and Trunkline, any rate applicable to Shipper for service hereunder shall be the applicable Maximum Rate per Dt as set forth on the Currently Effective Rates for Rate Schedule NNS-1, plus all applicable surcharges specified in the General Terms and Conditions, as may be applicable from time to time. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon in writing, such amount shall be applied prospectively. Trunkline shall be responsible for compliance with any reporting requirements prescribed by the Commission. Trunkline shall not be required to enter into any Service Agreement for No Notice Service at a rate less than the Maximum Rate per Dt.

#### 3.5 Overrun Charge

If during the Month, Shipper injects into storage or withdraws from storage Quantities in excess of the MDIQ or MDWQ, as applicable, stated in the Service Agreement for the service provided hereunder, the applicable charge per Dt shall be the product of such excess Quantities and the applicable overrun rate as set forth on the Currently Effective Rates for Rate Schedule NNS-1.

### 3.6 Negotiated Rates

Shipper and Trunkline may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate and/or the Minimum Rate set forth in the Currently Effective Rates for Rate Schedule NNS-1; ~~shall not be less than the Minimum Rate~~; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the Currently Effective Rates for Negotiated Rates. The Maximum Rate is available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, calculating the economic value of a request for unsubscribed firm capacity, and matching competing bids for the right of first refusal. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Trunkline is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Trunkline may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 9.9 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.6 shall authorize Trunkline or Shipper to negotiate terms and conditions of service.

## 4. Coordination with Rate Schedules FT, SST, EFT, QNT and LFT

- 4.1 The inclusion of the Epps Storage Field as a primary Point of Receipt and primary Point of Delivery for firm Transportation service under Shipper's Designated Transportation Service Agreement shall not affect the calculation of the Reservation Charge thereunder.
- 4.2 When Trunkline injects Gas to provide No Notice Service pursuant to Section 2.2 under this Rate Schedule NNS-1, the Usage Charge for Transportation service under Shipper's Designated Transportation Service Agreement shall not apply to the Quantity of Gas transported thereunder and injected into storage; and when Trunkline withdraws Gas to provide No Notice Service pursuant to Section 2.2 under this Rate Schedule NNS-1, the Usage Charge for Transportation service under Shipper's Designated Transportation Agreement shall apply to the Quantity of Gas withdrawn and subsequently transported

thereunder and shall be computed using Shipper's farthest upstream primary Point of Receipt at the time of injection under its Designated Transportation Service Agreement.

- 4.3 For the Quantity of Gas injected into or withdrawn from Storage in accordance with Shipper's nomination, the Usage Charge for Transportation service under Shipper's Designated Transportation Service Agreement shall be computed in accordance with the terms of the applicable Rate Schedule.
- 4.4 For purposes of determining whether Shipper has exceeded the Tolerance Level specified in Section 2 of Rate Schedule FT, SST, EFT, QNT, or LFT, the Quantity of Gas scheduled for delivery at Eligible Points of Delivery shall be increased by the Quantity of Gas withdrawn from storage pursuant to Section 2.2 herein and decreased by the Quantity of Gas injected into storage pursuant to Section 2.2 herein.

## 5. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of Trunkline's FERC Gas Tariff are hereby incorporated by reference in this Rate Schedule NNS-1.

In the event of a conflict between the General Terms and Conditions and the provisions of this Rate Schedule NNS-1, the provisions of this Rate Schedule NNS-1 shall govern.

## 6. RESERVATIONS

Trunkline reserves the right from time to time unilaterally to make any changes to, or to supersede, the rates and charges and other terms in this Rate Schedule NNS-1 and the other provisions of Trunkline's FERC Gas Tariff, and the applicability thereof, including the Form of Service Agreement hereunder, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

## GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions are applicable to all services provided herein:

### 1. DEFINITIONS

**"Backhaul"** shall mean transportation nominated, confirmed and scheduled by Trunkline for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in a direction opposite of the physical flow of gas for the entire transportation path.

**"British Thermal Unit (Btu)"** shall mean the amount of heat required to raise the temperature of one avoirdupois pound of pure water from 58.5°F to 59.5°F under standard conditions as described in Section 14.2.

**"Business Day"** shall mean Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Clock Time, excluding Federal Banking Holidays.

**"Central Time (CT)" or "Central Clock Time (CCT)"** shall mean the time in the Central Time Zone, as adjusted for Daylight Savings Time and Standard Time.

**"Commission" or "FERC"** shall mean the Federal Energy Regulatory Commission or any successor regulatory agency.

**"Dekatherm (Dt)"** shall mean one thousand cubic feet of Gas (Mcf) with a heat content of 1,000 Btu per cubic foot on a measurement basis specified under Section 14 herein and based on the same pressure base as the volumes.

**"DVS Party"** shall mean the entity that has executed a Service Agreement under Rate Schedule DVS with Trunkline.

**"Electronic Funds Transfer"** shall mean payments made or effected by wire transfer (Fedwire, CHIPS, or Bank Book Entry) or Automated Clearing House (ACH) or any other recognized electronic or automated payment mechanism that is agreed upon by Shipper and Trunkline in the future.

**"Electronic Gas Measurement (EGM)"** shall mean that form of measurement equipment which may consist of a computerized remote terminal unit, transducers and other associated power, radio and sensing and other electronic devices to record Gas measurement and the transfer of data, without the use of charts.

**"Equivalent Quantity"** shall mean an aggregate Quantity of Gas nominated by a TABS-1 Party equal to the aggregate of the Specific Quantities nominated by each Shipper utilizing the TABS-1 Service Point, adjusted for transfer nominations in accordance with Sections 2.4 of Rate Schedule TABS-1.

**"Field Zone"** shall mean the portion of Trunkline's system located on the suction side of its Longville, Louisiana compressor station.

**"Former Tariff"** shall mean Trunkline's FERC Gas Tariff, Original Volume No. 1.

**"Forwardhaul"** shall mean transportation nominated, confirmed and scheduled by Trunkline for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in the same direction of the physical flow of gas for any part of the transportation path.

**"Fuel Reimbursement"** shall mean the reimbursement in kind to Trunkline by Shipper for fuel usage and lost or unaccounted for Gas.

**"Gas" or "Natural Gas"** shall mean either Natural Gas unmixed, or a mixture of natural and artificial Gas.

**"Gas Day"** shall mean a period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time. The reference date for any Gas Day shall be the date of the beginning of such Gas Day.

**"Gathering"** shall mean the receipt by Trunkline of Natural Gas from a facility connected to Trunkline's Gathering facilities and its Transportation to the outlet side of Trunkline's facilities at the terminus of any portion of Trunkline's Gathering facilities or such other mutually agreeable points on Trunkline's Gathering facilities as set forth in the Transportation Service Agreement.

**"Long-Term Agreement"** shall mean a Service Agreement with a primary term of one year or more.

**"Master Delivery Point List (MDPL)"** shall mean the current list of meter stations and points, excluding meter stations and points on the South Texas Modified Transmission System, available to Shippers as Points of Delivery as posted on the Messenger® system at any time.

**"Master Parking Point List (MPPL)"** shall mean the current list of points available to Shippers as Parking Points as posted on the Messenger® system at any time.

**"Master Receipt Point List (MRPL)"** shall mean the current list of meter stations and points, excluding meter stations and points on the South Texas Modified Transmission System, available to Shippers as Points of Receipt as posted on the Messenger® system at any time.

**"Maximum Contract Storage Capacity (MCSC)"** shall mean the maximum Quantity of Gas which Shipper is permitted to have in storage at any time as stated in the Service Agreement.

**"Maximum Daily Delivery Obligation (MDDO)"** shall mean the maximum Quantity of Gas assigned to a specific primary Point of Delivery, as stated in the Service Agreement, that Trunkline is obligated to deliver to Shipper at that point on any Gas Day.

**"Maximum Daily Injection Quantity (MDIQ)"** shall mean the maximum Quantity of Gas, as stated in the Service Agreement, that Trunkline is obligated to inject into storage for Shipper on any Gas Day.

**"Maximum Daily Quantity (MDQ)"** shall mean the maximum Quantity of Natural Gas, as stated in the Service Agreement, that Trunkline is obligated to deliver on any Gas Day to Shipper.

**"Maximum Daily Receipt Obligation (MDRO)"** shall mean the maximum Quantity of Gas assigned to a specific primary Point of Receipt, as stated in the Service Agreement, that Trunkline is obligated to receive from Shipper at that point on any Gas Day.

**"Maximum Daily Variance Quantity (MDVQ)"** shall mean the maximum Quantity of Gas that Trunkline is obligated to manage under Rate Schedule DVS.

**"Maximum Daily Withdrawal Quantity (MDWQ)"** shall mean the maximum Quantity of Gas, as stated in the Service Agreement, that Trunkline is obligated to withdraw from storage for Shipper on any Gas Day.

**"Maximum Rate"** shall mean the applicable maximum rate as set forth on the Currently Effective Rates for the applicable Rate Schedule, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time.

**"Messenger®"** shall mean the electronic communication system offered by Trunkline on a nondiscriminatory basis to any person that has compatible equipment for electronic transmission of data; provided that such person has executed a Messenger® Agreement, has been assigned a USERID and password and agrees to comply with the procedures for access to and use of the Messenger® system.

**"Minimum Rate"** shall mean the applicable minimum rate as set forth on the Currently Effective Rates for the applicable Rate Schedule.

**"Month"** shall mean the period beginning at 9:00 a.m. Central Clock Time on the first Gas Day of the calendar month and continuing through the last Gas Day of the calendar month.

**"Mcf"** shall mean 1,000 cubic feet of Gas at 14.73 psia (dry).

**"MMcf"** shall mean 1,000,000 cubic feet of Gas at 14.73 psia (dry).

**"Negative Parked Quantity"** shall mean the Quantity of Gas that Shipper has received from Parking in excess of the sum of the Parked Quantity at any point in time.

**"Negotiated Rate"** shall mean the rate agreed to by Shipper and Trunkline which may be less than, equal to or greater than the Maximum Rate ~~and/or the Minimum Rate but shall not be less than the Minimum Rate~~. The Negotiated Rate may be based on a rate design other than straight fixed variable and may include a minimum quantity.

**"OBA Party"** shall mean the entity that has executed an Operational Balancing Agreement with Trunkline.

**"Off-Peak"** shall mean April, May, June, July, August, September and October.

**"Operational Balancing Agreement (OBA)"** shall mean a contract between two parties which specifies the procedures to manage operating variances at an interconnect pursuant to Section 7 herein.

**"Operational Flow Order (OFO)"** shall mean an order issued by Trunkline to any Shipper, OBA Party or TABS-1 Party pursuant to Section 6 herein.

**"Parked Quantity"** shall mean the Quantity of Gas, expressed in dekatherms, held for the account of Shipper at a specific Parking Point at any point in time.

**"Parking"** shall mean the receipt by Trunkline of Gas from or for the account of Shipper, the holding of such Gas for a period of time and the subsequent redelivery to Shipper.

**"Peak"** shall mean November, December, January, February and March.

**"Point of Delivery"** shall mean a point at the outlet side of Trunkline's facilities at a point of interconnection between the facilities of Trunkline and the facilities of Shipper or Shipper's designee, or such other mutually agreeable point as set forth in the Service Agreement. Multiple meters delivering to the same integrated service area of a Shipper may be considered to be a single Point of Delivery, subject to Trunkline's agreement.

**"Point of Receipt"** shall mean a point at the inlet side of Trunkline's facilities at a point of interconnection between the facilities of Trunkline and facilities of Shipper or Shipper's designee, or such other mutually agreeable point as set forth in the Service Agreement.

**"Pre-arranged Replacement Shipper (PRS)"** shall mean the entity designated by Releasing Shipper prior to the released capacity being posted on the Messenger® system. The PRS must be on the approved bidders list in accordance with Section 9.4(A) of the General Terms and Conditions and will become a Replacement Shipper upon selection of its bid as the best bid.

**"Primary Path"** shall mean a physical transportation path, which includes Trunkline's facilities or facilities available under contract to Trunkline, used to effectuate Shipper's transaction most directly for Quantities associated with the primary Points of Receipt and the primary Points of Delivery as stated in the Service Agreement.

**"Quantity of Gas"** or "Quantities" shall mean the number of units of Gas expressed in Dekatherms (Dt).

**"Releasing Shipper"** shall mean a firm Shipper that releases capacity pursuant to Section 9 herein.

**"Replacement Shipper"** shall mean any entity that obtains capacity from a Releasing Shipper pursuant to Section 9 herein.

**"Service Agreement"** shall mean the written executed agreement, in the form prescribed in this Tariff, applicable to the particular Rate Schedule under which service is being provided, including a Capacity Release Service Agreement.

**"Shipper"** shall mean the entity that has executed a Service Agreement with Trunkline for any capacity release or any Transportation or Storage service.

**"South Texas Master Delivery Point List" or "South Texas MDPL"** shall mean the current list of meter stations and points available to Shippers with Primary Points of Delivery on the South Texas Modified Transmission System as posted on the Messenger® system at any time.

**"South Texas Master Receipt Point List" or "South Texas MRPL"** shall mean the current list of meter stations and points available to Shippers with Primary Points of Receipt on the South Texas Modified Transmission System as posted on the Messenger® system at any time.

**"South Texas Modified Transmission System"** shall mean that portion of Trunkline's Field Zone located upstream of the inlet connection of the DCP Eagle Plant, Jackson County, Texas.

**"Specific Quantity"** shall mean a Quantity of Gas equal to the receipt nomination of each Shipper utilizing a TABS-1 Service Point.

**"Storage"** shall mean the injection by Trunkline of Gas for the account of Shipper into Trunkline's Epps Storage Field, the retention by Trunkline of that Gas for a period of time in Trunkline's Epps Storage Field, and the withdrawal of that Gas from Trunkline's Epps Storage Field, all pursuant to Rate Schedule NNS-1, NNS-2, FSS or ISS.

**"Stored Volume"** shall mean the Quantity of Gas, expressed in dekatherms, held by Trunkline in storage for Shipper's account at any point in time.

**"Summer Period"** shall mean the period from April 1 through October 31.

**"TABS-1 Party"** shall mean the entity that has executed a TABS-1 Service Agreement with Trunkline.

**"TABS-1 Service Area"** shall mean a specific geographic location where aggregated receipts are nominated and scheduled as more fully described in Rate Schedule TABS-1.

**"Transportation"** shall mean Forwardhaul, Backhaul, exchange or any other method of transport of Gas as defined in the FERC's Regulations, except Storage.



**"Transportation Service Agreement"** shall mean a Service Agreement for Transportation service provided under Rate Schedule FT, SST, EFT, QNT, LFT, IT or QNIT.

**"Trunkline"** shall mean Trunkline Gas Company, LLC.

**"Unauthorized Gas"** shall mean any Quantity of Gas either received or delivered at a meter without any Shipper nomination.

**"Web Site"** shall mean Trunkline's HTML page accessible via the Internet's World Wide Web located at <http://tgctransfer.energytransfer.com>, <https://tgcmessenger.energytransfer.com>.

**"Winter Period"** shall mean the period from November 1 through March 31 of the next year.

**"Zone 1A"** shall mean the portion of Trunkline's system located on the discharge side of its Longville, Louisiana compressor station and extending north to the suction side of its Dyersburg, Tennessee compressor station.

**"Zone 1B"** shall mean the portion of Trunkline's system located on the discharge side of its Dyersburg, Tennessee compressor station and extending north to the suction side of its Tuscola, Illinois compressor station.

**"Zone 2"** shall mean the portion of Trunkline's system located on the discharge side of its Tuscola, Illinois compressor station and extending north to the terminus of its system.

**"Zone" or "Zones"** shall mean the portion of Trunkline's system located in the Field Zone, Zone 1A, Zone 1B or Zone 2 as defined in this Section 1.

## GENERAL TERMS AND CONDITIONS

### 9. CAPACITY RELEASE

#### 9.1 Capacity Eligible for Release

- (A) Shippers under Rate Schedules FT, EFT, QNT, LFT, FSS and NNS-1 shall be permitted to release their capacity on a temporary or permanent basis, in accordance with this Section 9. Capacity which may be assigned to the Replacement Shipper hereunder shall be limited to the firm capacity reserved by the Releasing Shipper, as defined by the primary Points of Receipt and the primary Points of Delivery contained in the released capacity. Releases may be made on an interruptible (i.e., subject to recall) or firm basis and may be billed by Trunkline based on usage.
- (B) Trunkline shall continue to sell its unsubscribed firm capacity by providing notice of the availability of such capacity on the Messenger® system or by using any other marketing services at its disposal.

#### 9.2 Shipper Release Notice

- (A) A Shipper that desires to release any or all of its firm capacity under this Section 9 must notify Trunkline electronically on the Messenger® system or through electronic data interchange of its intent to release capacity and the terms of the release (hereinafter referred to as "Shipper Notice"). A Shipper Notice shall be posted on the Messenger® system upon receipt by Trunkline or such later time which must comply with the timeline set forth in Section 9.4(B) herein, as requested by Releasing Shipper. This Shipper Notice shall include:
  - (1) Releasing Shipper's contract number;
  - (2) The specific quantity of capacity to be released;
  - (3) If the request for release is on a permanent basis;
  - (4) The Points of Receipt and Points of Delivery at which Releasing Shipper will release capacity and the quantity of capacity to be released at each point;
  - (5) The period of time or term of the release;
  - (6) The conditions of Releasing Shipper's right of recall as well as methods and rights associated with returning the previously recalled capacity to the Replacement Shipper, if applicable;

- (7) Whether contingent bids will be accepted and when the contingency must be removed;
- (8) The identity of a Pre-arranged Replacement Shipper (PRS), if applicable;
- (9) The minimum rate expressed in dollars and cents, percentage of Maximum Rate or the index-based formula as detailed in the capacity release offer, term, and quantity of capacity Releasing Shipper shall accept, if any, and whether bids using a volumetric rate for the collection of Reservation or Capacity and Deliverability Charges will be accepted and whether Releasing Shipper requires a volumetric commitment. The maximum volumetric rate that may be bid shall not exceed the one hundred percent (100%) load factor equivalent of the maximum Reservation or Capacity and Deliverability reservation rates. The one hundred percent (100%) load factor equivalent for such rates equals the overrun rate for the applicable service being released as set forth on the Currently Effective Rates for the applicable Rate Schedule. Trunkline shall support volumetric releases with volumetric commitments by fully accounting for volumetric and reservation components, consistent with the rules and regulations enunciated by the Commission. The maximum reservation rate that may be bid shall not exceed the Maximum Rate for the applicable service being released as set forth on the Currently Effective Rates for the applicable Rate Schedule. Notwithstanding the above, no rate limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Trunkline is notified of the release;
- (10) The duration of the posting which may not be less than the minimum bid period specified in Section 9.4(B) herein;
- (11) The best bid criterion, the method by which volumetric or contingent bids will be evaluated, and any alternate, objective and nondiscriminatory method for breaking ties. The best bid evaluation method established by Releasing Shipper must be objectively stated, applicable to all PRS or Replacement Shippers and not unduly discriminatory and shall enable Trunkline to rank the bids received by utilizing the weight assigned by Releasing Shipper to each element of the Shipper Notice;
- (12) If the release is for any period of thirty-one (31) days or less and is exempt from bidding in accordance with Section 9.3(A), the Releasing Shipper may designate in the Shipper Notice the winning bid criterion to be the first acceptable bid received;
- (13) Restrictions, if any, on the PRS or Replacement Shipper's ability to request changes in primary Points of Receipt or primary Points of Delivery;

- (14) Whether the Shipper Notice may be rejected in part in the event Trunkline rejects such Shipper Notice pursuant to Section 9.7; and
  - (15) Whether the Replacement Shipper is (a) an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations and, if so, include the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect or (b) a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.
- (B) Releasing Shipper shall post the Shipper Notice on the Messenger® system. Releasing Shipper may withdraw its Shipper Notice at any time prior to the close of the bid period specified in the Shipper Notice herein when unanticipated circumstances justify and no minimum bid has been made.
  - (C) When a Releasing Shipper presents a PRS that is on the approved bidders list, such PRS shall acknowledge the Shipper Release Notice electronically.
  - (D) The terms Releasing Shipper imposes may not conflict with any provision of the Service Agreement, Rate Schedule or General Terms and Conditions. In the event of such conflict, Trunkline may withdraw the Shipper Notice from posting.

### 9.3 Exceptions to Bidding

- (A) The following capacity releases are exempt from the bidding process set forth in Section 9.4 herein:
  - (1) A capacity release for any period of thirty-one (31) days or less. A firm shipper shall not roll over, extend or in any way continue such capacity release to the same Replacement Shipper until 28 days after the first release period has ended. This 28-day period does not apply to any release to the same Replacement Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding set forth in Sections 9.3(A)(2), (3) or (4) below.
  - (2) A capacity release for more than one year at the maximum tariff rate.
  - (3) A capacity release to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.
  - (4) A capacity release to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

(B) In the event a capacity release is exempt from bidding in accordance with Section 9.3(A) herein, the Releasing Shipper presents a PRS that is on the approved bidders list, and such PRS agrees to all conditions of the release prior to the submission of the Shipper Notice to Trunkline, the released capacity will be assigned to the PRS and such Shipper Notice shall be exempt from the bidding process in accordance with Section 9.4 herein. The PRS will be posted as the winning bidder in accordance with Section 9.4(I) herein.

(C) Timing of Capacity Releases Exempt from Bidding

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 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 capacity release addendum is issued within one hour of the award posting (with a new capacity release addendum number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.

9.4 Bidding Process

- (A) In order to submit a valid bid under this capacity release program, any party, including a PRS, must be on the approved bidders list. To be on the approved bidders list, a party must meet the provisions of Section 2 herein and have executed a capacity release service agreement with Trunkline in the form as set forth in this Tariff (Capacity Release Service Agreement). A party shall remain on the approved bidders list until such party notifies Trunkline to the contrary, no longer meets the credit qualifications in Section 30 herein, or is suspended from the approved bidders list in the event and for such time as such party fails to pay part or all of the amount of any bill for service in accordance with Section 16 herein.
- (B) The capacity release timeline in Central Clock Time 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 Trunkline 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.

Further, Trunkline 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 Trunkline).

(1) For biddable releases (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 Noon.
- The capacity release addendum is issued within one hour of the award posting (with a new capacity release addendum number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.

(2) For biddable releases (more than 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 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 Noon.
- The capacity release addendum is issued within one hour of the award posting (with a new capacity release addendum number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.

(3) Timeline for Releases with Special Conditions

For index-based capacity release transactions, the Releasing Shipper shall provide the necessary information and instructions to support the chosen methodology. If the Releasing Shipper specifies a bid evaluation methodology other than highest rate, net revenue or present value, or a permanent release or any other special conditions, the above timelines shall apply; provided, however, one additional Business Day will be added to the evaluation period. Such extended evaluation period shall cause Gas flow to be at least one day later than Gas could flow under the timeline set forth in Section 9.4(B)(1) or Section 9.4(B)(2).

- (C) All bids must be expressed in dollars and cents, percentage of Maximum Rate or the index-based formula as detailed in the capacity release offer, whichever is stated in the Shipper Notice, include the required bid information and must be received and posted electronically through the Messenger® system. Bids shall be posted on the Messenger® system with any contingencies identified and with the bidder's identity deleted.
- (D) A bidder may submit only one bid at a time in response to a Shipper Notice. A bidder may withdraw its bid through the Messenger® system at any time prior to the close of the posting period specified in the Shipper Notice without prejudice to its submitting another bid with an economic value equal to or greater than the economic value of the withdrawn bid.
- (E) Where there is a PRS and a bid which is better than the bid submitted by the PRS, Trunkline will notify the PRS by 2:00 p.m. Central Clock Time on the day capacity is

awarded and the PRS will have until 2:30 p.m. to match the better bid and obtain the right to the released capacity. Trunkline shall issue an Addendum to the PRS unless a better bid, as defined in Section 9.2(A)(11) herein, is received within the time period specified in the posting. In the event the PRS does not match the better bid, Trunkline shall issue an Addendum to the party who made the best bid.

- (F) All bids not withdrawn prior to the close of the posting period specified in the Shipper Notice shall be binding.
- (G) In the event that a winning bid has a contingency, and Trunkline is not notified through the Messenger® system that such contingency has been removed within the time period specified in the Shipper Notice, such contingent bid will be rejected by Trunkline.
- (H) The Releasing Shipper may define in the Shipper Notice the criteria for determining the best bid. If the Releasing Shipper does not specify the criteria, Trunkline shall use the Net Present Value calculation as set forth in Section 10.3 herein to determine the best bid. If there are multiple bids meeting the minimum conditions, Trunkline shall rank the bids and Trunkline shall award the bids, best bid first, until all offered capacity is awarded. Trunkline will notify, through the Messenger® system by 2:00 p.m. Central Clock Time following the end of the posting period, or by 3:00 p.m. Central Clock Time if a matching period is applicable, the PRS or Replacement Shipper that capacity has been awarded.
- (I) Trunkline will post the winning bids and Replacement Shippers' identity on the Messenger® system for at least five Business Days.

#### 9.5 Rights and Obligations of Releasing Shipper

- (A) Regardless of the amount of capacity Releasing Shipper releases under this Section 9, Releasing Shipper shall remain liable for the Reservation Charges or Capacity and Deliverability Charges attributable to the released capacity unless otherwise agreed to in writing and in advance by Trunkline. In the event of a permanent release, Trunkline may, and will not unreasonably refuse to, waive liability of Releasing Shipper for the Reservation Charges, Capacity and Deliverability Charges or Conditional Reservation Charges. Such permanent release shall provide the same economic value as the original underlying agreement, or such difference shall be funded by the Releasing Shipper, unless Trunkline agrees otherwise.
- (B) When capacity is awarded to Replacement Shipper, Releasing Shipper must adjust or reconfirm its nominations to reflect the capacity released. Trunkline will automatically change Releasing Shipper's nominations to zero for the Service Agreement under which capacity was released unless such nominations are adjusted or reconfirmed by the Releasing Shipper.



- (C) If Releasing Shipper releases its MDQ for a geographic portion of the capacity reserved under its Service Agreement, Releasing Shipper may use its full MDQ for its unreleased geographic portion of capacity.
- (D) When Releasing Shipper partially releases its capacity under a Service Agreement by releasing capacity between specific Points of Receipt and Points of Delivery or by releasing only a portion of its MDQ or MCSC, Releasing Shipper's Service Agreement shall be deemed to be modified in accordance with the release and Releasing Shipper may not utilize the capacity released during the term of the release.
- (E) Releasing Shipper shall retain all Rights of First Refusal with respect to the released capacity, unless such release is a permanent release.
- (F) In the event of termination of a Replacement Shipper's Addendum pursuant to Section 9.6(C) herein, the released capacity related to such Addendum will revert to the Releasing Shipper.
- (G) Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity. For the recall notification provided to Trunkline, Trunkline's tariff should specify whether the quantity should be expressed in terms of a) total released capacity entitlements or b) adjusted total released capacity entitlements based upon the elapsed prorata capacity. The capacity entitlements resulting from the use of either a) or b) should be the same. The recall notification to Trunkline shall specify the Quantity in terms of total released capacity entitlements.

#### 9.6 Rights and Obligations of Replacement Shipper

- (A) Any bid submitted will bind Replacement Shipper or PRS to the terms of the bid if Trunkline selects such bid as the best bid. If all the information provided by the Releasing Shipper and the bidder/PRS is valid, the Replacement Shipper is creditworthy, and there are no special terms and conditions, Trunkline will issue and execute the Addendum to the Capacity Release Service Agreement within one hour of awarding the winning bid. The capacity release addendum number also will be issued within one hour of the award posting.
- (B) Replacement Shipper may submit nominations pursuant to Section 3 herein beginning at the next available nomination cycle for the effective date of the capacity release addendum; however, in no event will Gas flow on Replacement Shipper's Service Agreement prior to the effective date of the release as posted in the Shipper Notice.

- (C) Replacement Shipper is responsible for payment of the applicable Reservation Charge or Capacity and Deliverability Charges, and any surcharges thereon, in the amount of its winning bid. Replacement Shipper is also responsible for all other billings, e.g., usage rate and applicable usage surcharges. In the event of payment default, subject to Section 16 herein, Trunkline may elect to terminate that Replacement Shipper's Capacity Release Service Agreement which shall terminate all service thereunder utilized by the Replacement Shipper.
- (D) Once Replacement Shipper or PRS is notified of a winning bid, such Replacement Shipper or PRS shall have all the rights and obligations specified under the Releasing Shipper's Rate Schedule, the Releasing Shipper's Service Agreement and the General Terms and Conditions of this Tariff including the right to release firm capacity pursuant to this Section unless the conditions prescribed by the Shipper Notice require otherwise.
- (E) A Replacement Shipper shall have the right to reserve primary point capacity up to its MDQ, subject to available capacity.
- (F) Replacement Shipper shall have no Right of First Refusal with respect to the released capacity, unless such release is permanent.
- (G) Replacement Shippers for a capacity release with a term of one year or less that are paying a rate which exceeds the Maximum Rate shall be considered to be paying the Maximum Rate for purposes of scheduling.

#### 9.7 Rights and Obligations of Trunkline

Trunkline shall determine, in its sole discretion, the best bid based upon the best bid criteria established pursuant to Section 9.2(A)(11) or Section 9.4(H) herein. Trunkline shall have the right, but not the obligation, to reject, in whole or in part, the terms of any Shipper Notice or bid which is discriminatory or conflicts with any order or regulation issued by the FERC, or provision of the Service Agreement, Rate Schedule or General Terms and Conditions. Such Shipper Notice shall be rejected in its entirety unless Shipper, pursuant to Section 9.2(A)(14), permits a partial rejection. Trunkline shall provide simultaneous notification to Shipper, through the Messenger<sup>®</sup> system, of the reason(s) for rejecting a release notice with the notice of rejection. Trunkline shall not have any liability to any Shipper, Releasing Shipper, Replacement Shipper, bidder or any other party as a result of Trunkline's performance of its obligations under its capacity release program, and such Shippers, Releasing Shippers, Replacement Shippers, and bidders shall indemnify Trunkline from and against any and all losses, damages, expenses, claims, suits, actions and proceedings whatsoever threatened, incurred or initiated as a result of Trunkline's performance hereunder, except to the extent such loss, damage, expense, claim, suit, action or proceeding is the result of Trunkline's negligence, bad faith or willful misconduct.

9.8 Term

- (A) Any release under this Section 9 shall be for a minimum term of at least one Gas Day.
- (B) Any release under this Section 9 shall be for a maximum term expiring on the earlier of:
  - (1) The last date this Tariff provision shall be effective;
  - (2) The expiration date of Releasing Shipper's Service Agreement when the release is for the full term of such agreement; or
  - (3) The expiration date specified by the Releasing Shipper in the Shipper Notice.

9.9 Billing Adjustments to Releasing Shipper

- (A) Trunkline shall credit Releasing Shipper's monthly bill to reflect the Reservation Charge or Capacity and Deliverability Charges (including surcharges, if any) invoiced to Replacement Shipper excluding any reservation charge credit that Replacement Shipper may have received pursuant to Section 29; provided, however, that Trunkline and Releasing Shipper may, in connection with a Negotiated Rate based on a rate design other than straight fixed variable, agree upon a payment obligation and crediting mechanism that varies from or is in addition to the provisions of this Section 9.9 in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. In the event of a release with a volumetric rate, the volumetric rate shall be no greater than the 100% load factor equivalent of the Maximum Rate currently applicable to the service released and shall be credited to the Releasing Shipper's monthly bill. Replacement Shipper's payment of the Usage Charge and applicable usage surcharges, if any, will be retained by Trunkline. Notwithstanding the above, no 100% load factor equivalent limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Trunkline is notified of the release.
- (B) If Replacement Shipper fails to pay all or any part of the Reservation Charge or Capacity and Deliverability Charges so credited within thirty (30) days of its due date, then such unpaid amount plus interest will be charged to Releasing Shipper's next monthly bill and will be due and payable by Releasing Shipper in accordance with Section 16 herein.

- (C) Trunkline and Releasing Shipper may enter into a marketing agreement. In the event Trunkline issues an Addendum to a Replacement Shipper found by Trunkline pursuant to such marketing agreement, any negotiated marketing fee will be debited to Releasing Shipper's invoice.

#### 9.10 Requests to Purchase Releasable Capacity

Any party may initiate a request to purchase releasable firm capacity by following the instructions posted on Trunkline's Informational Postings Web Site located at <https://tgcmessage.energytransfer.com> under "Notices, Request to Purchase Releasable Capacity." The form shall specify the terms and conditions of the request and the location of the posting on Trunkline's Informational Postings Web Site. Such offer to purchase released capacity shall be posted on Trunkline's Web Site for 30 days.

#### 9.11 Bankruptcy

In the event a Releasing Shipper subject to proceedings under any chapter of the bankruptcy laws rejects its Service Agreement, Trunkline may send a written notification of Trunkline's intent to terminate the Replacement Shipper's Service Agreement effective thirty (30) calendar days from the date of the notice (Termination Notice Period) unless Replacement Shipper(s) agrees to retain its capacity for the remainder of the term of the respective Replacement Shipper's Service Agreement at a rate that is no lower than the lesser of the Releasing Shipper's rate or the Maximum Rate. Replacement Shipper shall have ten (10) Business Days from the date of the written notice to advise Trunkline in writing of its decision. If Replacement Shipper does not exercise its option to retain the capacity, then the Replacement Shipper's Service Agreement shall terminate at the end of the Termination Notice Period.

If Replacement Shipper(s) timely exercises its option to retain the capacity, the Replacement Shipper(s), prior to the end of the Termination Notice Period, will execute a new Service Agreement pursuant to the terms and conditions of the applicable Rate Schedule reflecting the revised rate to be effective beginning on the first day after the end of the Termination Notice Period.

## GENERAL TERMS AND CONDITIONS

### 21. ANNUAL CHARGE ADJUSTMENT PROVISION (ACA)

#### 21.1 Purpose

Annual charges are assessed on Gas pipelines by the Commission under Part 382 of the Commission's Regulations prior to each fiscal year in order to cover the cost of the operation of the FERC. For the purpose of recovering such charges assessed Trunkline by the Commission, pursuant to Section 154.402 of the Commission's Regulations, an ACA unit charge shall be applicable to Quantities transported under Trunkline's Rate Schedules FT, SST, EFT, QNT, LFT, IT and QNIT. The ACA unit charge calculated by the Commission is in addition to any amounts otherwise payable to Trunkline under said Rate Schedules.

#### 21.2 ACA Unit Charge

The ACA unit charge , as revised annually and posted on the Commission's website located at <https://www.ferc.gov>, is incorporated by reference in Trunkline's Tariff. The annual charges unit charge (ACA unit charge) is stated on the Commission's website under "Natural Gas, [Overview, General Information](#), Annual Charges, FY [Year] Gas Annual Charges Correction for Annual Charges Unit Charge." The ACA unit charge is restated to be effective each October 1 on the first day of the Commission's fiscal year.

#### 21.3 Payment by Shipper

The amount of applicable Shipper's ACA unit charge shall be due and payable with the bill for the Month for each such Shipper.