# FLS RATE SCHEDULE FIRM LOAN SERVICE

#### 1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of firm loan service ("FLS") from EAST CHEYENNE, provided that:

(a) EAST CHEYENNE has determined that it has sufficient operationally available firm storage capacity and injection and withdrawal capacity and quantities of Gas to loan to perform the firm loan service Customer has requested;

(b) Customer and EAST CHEYENNE have executed a Firm Loan Service Agreement under this Rate Schedule;

(c) Customer accepts responsibility for arranging any transportation service required for utilization of the firm loan service provided under this Rate Schedule;

(d) Availability of service under this Rate Schedule shall be subject to a determination by EAST CHEYENNE that its performance of the service requested hereunder shall not cause a reduction in EAST CHEYENNE's ability to provide Firm Storage Services under currently effective Storage Service Agreements; and

(e) Service under this Rate Schedule may not be available to the extent that EAST CHEYENNE would be required to construct, modify, expand or acquire any facilities to enable EAST CHEYENNE to perform the requested services.

### 2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to all firm Loan service rendered by EAST CHEYENNE to Customer through use of EAST CHEYENNE's Facility pursuant to an executed Firm Loan Service Agreement.

2.1 Firm loan service rendered by EAST CHEYENNE to Customer under this Rate Schedule shall consist of:

- (a) The withdrawal from storage on any Day during the Withdrawal Period stated in Customer's executed Firm Loan Service Agreement and delivery of Gas to the Point(s) of Delivery, upon nomination and confirmation of daily quantities of Gas up to the Maximum Daily Withdrawal Quantity ("MDWQ") and Maximum Daily Delivery Quantity ("MDDQ") stated in Customer's executed Firm Loan Service Agreement, less Fuel Reimbursement, provided that Customer's total withdrawals shall not exceed its Maximum Loan Quantity ("MLQ");
- (b) The withdrawal by Customer of sufficient quantities of Gas under Section 2.1(a) to ensure that Customer's Loan Balance equals Customer's MLQ at the end of the Withdrawal Period; provided that, if Customer's withdrawals during the Withdrawal Period are curtailed by EAST CHEYENNE, Customer shall have a reasonable period of time immediately following the Withdrawal Period to

make withdrawals as necessary for Customer's Loan Balance to equal its MLQ;

- (c) The receipt on any Day during the Injection Period stated in Customer's executed Firm Loan Service Agreement and injection into storage of Customer's Gas per Customer's nomination, up to the Maximum Daily Injection Quantity ("MDIQ") and Maximum Daily Receipt Quantity ("MDRQ") stated in Customer's executed Firm Loan Service Agreement, provided that Customer delivers the nominated quantity plus Fuel Reimbursement to the Point(s) of Receipt, and Customer's total injections may not exceed Customer's MLQ; and
- (d) The tender by Customer of sufficient quantities of Gas under Section 2.1(c) to ensure that Customer's Loan Balance equals zero (0) at the end of the Injection Period.

2.2 Provided that the receipt of Gas from Customer and the injection of such Gas into storage can be accomplished by EAST CHEYENNE without detriment to EAST CHEYENNE's facilities and/or EAST CHEYENNE's ability to meet its firm obligations to other Customers, EAST CHEYENNE may, upon Customer's request and after confirmation by Customer's Transporter, schedule and inject on an Interruptible basis quantities of Gas in excess of Customer's MDIQ, provided that Customer has a quantity of Gas in Customer's Loan Balance not less than the quantities Customer shall have nominated for withdrawal on such Day. Such excess quantities shall be deemed to be "Excess Injection Gas."

2.3 Provided that such withdrawal of Gas from storage and delivery of such Gas to Customer can be accomplished by EAST CHEYENNE without detriment to EAST CHEYENNE's facilities and/or EAST CHEYENNE's ability to meet its firm obligations to other Customers, EAST CHEYENNE may, upon Customer's request and after confirmation by Customer's Transporter, schedule and withdraw on an Interruptible basis quantities of Gas in excess of Customer's MDWQ, provided that Customer's Loan Balance has not exceeded Customer's MLQ and applicable Storage Overrun Quantity. Such excess quantities shall be deemed to be "Excess Withdrawal Gas."

2.4 If Customer fails to replace or replenish Gas advanced by EAST CHEYENNE to Customer under this Rate Schedule at the agreed upon time, EAST CHEYENNE may purchase replacement Gas and Customer shall pay EAST CHEYENNE the cost of the replacement Gas, which shall include the actual cost of replacement supplies and any costs or penalties incurred by EAST CHEYENNE or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by EAST CHEYENNE to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

2.5 Customer shall not have the right to inject or withdraw Gas during the period of time between the Withdrawal Period and the Injection Period.

3. OVERRUN SERVICE

3.1 Customer may submit a nomination for injections in excess of its MDIQ ("Excess Injection Gas"), withdrawals in excess of its MDWQ ("Excess Withdrawal Gas") or borrowing in excess of its MLQ up to Customer's Storage Overrun Quantity ("Authorized Overrun Service"). In the event that Customer makes such a nomination, EAST CHEYENNE will schedule and confirm (i) the request to the extent that additional flexibility exists during the time period of the request in accordance with Section

5.2 of the General Terms and Conditions, and (ii) using reasonable discretion, that EAST CHEYENNE can accommodate the request without detriment to EAST CHEYENNE's Facility and/or EAST CHEYENNE's ability to meet its higher priority service obligations to other Customers.

3.2 EAST CHEYENNE shall have the right to interrupt all or part of these Authorized Overrun Quantities nominated as the operation of its facilities may require in EAST CHEYENNE's reasonable judgment, subject to Section 5 of the General Terms and Conditions of this Tariff. To the extent Gas that is advanced to Customer as Authorized Overrun Service pursuant to this Section 3 is needed by EAST CHEYENNE in order to satisfy EAST CHEYENNE's obligations to higher priority service Customers or to meet system needs, EAST CHEYENNE shall require Customer to replace all, or any portion of, the Gas quantities held in storage by EAST CHEYENNE for the account of Customer pursuant to this Section 3, as specified by EAST CHEYENNE. EAST CHEYENNE's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer. Unless EAST CHEYENNE otherwise agrees, Customer shall be required to make ratable injections. If Customer fails to replace or replenish Gas advanced by EAST CHEYENNE to Customer as Authorized Overrun Service under this Section 3, EAST CHEYENNE may purchase replacement Gas and Customer shall pay EAST CHEYENNE the cost of the replacement Gas, which shall include the actual cost of replacement supplies and any costs or penalties incurred by EAST CHEYENNE or its Customers as a result of Customer's failure to deliver replacement Gas, plus all other costs incurred by EAST CHEYENNE to secure such replacement Gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement Gas.

### 4. RATES AND CHARGES

Customer shall pay rates and charges for firm loan service under this Rate Schedule including the applicable loan rate components set forth in the FLS Rate Statement and as described below:

(a) Firm Loan Reservation Charge. A monthly charge for each Dth of Customer's MLQ.

(b) Firm Loan Injection Charge. A charge for each Dth of Gas injected into EAST CHEYENNE's facilities pursuant to Section 2.1(c) of this Rate Schedule.

(c) Firm Loan Withdrawal Charge. A charge for each Dth of Gas withdrawn from EAST CHEYENNE's facilities pursuant to Section 2.1(a) of this Rate Schedule.

(d) Authorized Overrun Charge. A usage charge for each Dth loaned in excess of Customer's MLQ per given Month pursuant to Section 3 of this Rate Schedule.

(e) Excess Injection Charge. A usage charge for each Dth of Excess Injection Gas injected into EAST CHEYENNE's facilities pursuant to Section 2.2 of this Rate Schedule for each Day during a given Month.

(f) Excess Withdrawal Charge. A usage charge for each Dth of Excess Withdrawal Gas withdrawn from EAST CHEYENNE's facilities pursuant to Section 2.3 of this Rate Schedule for each Day during a given Month.

(g) Fuel Reimbursement. The amount of Gas for fuel and losses determined in accordance with Section 18 of the General Terms and Conditions of this FERC Gas Tariff and set forth in Customer's

### Firm Loan Service Agreement.

(h) Regulatory Fees and Charges. Customer shall reimburse EAST CHEYENNE for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Firm Loan Service Agreement.

(i) Taxes. Customer shall reimburse EAST CHEYENNE for all applicable taxes as may be assessed EAST CHEYENNE, as set forth in Section 14 of the General Terms and Conditions of this FERC Gas Tariff and in Customer's Firm Loan Service Agreement.

### 5. INVOICE

Each invoice for firm loan service shall reflect the applicable charges set forth under Section 4 of this Rate Schedule at rates and terms set forth in Customer's Firm Loan Service Agreement.

### 6. TERM

The term for service under this Rate Schedule shall be as set forth in the Customer's Firm Loan Service Agreement.

# 7. AUTHORIZATION, RATES, TERMS AND CHANGES

7.1 The Firm Loan Service Agreement and the respective obligations of the Parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for EAST CHEYENNE to provide the loan service contemplated hereby and to construct and operate the Gas storage facilities necessary to provide such loan service and for any connected pipeline to transport Gas to/from the Point(s) of Receipt/Delivery necessary to effect the loan service provided for herein.

7.2 EAST CHEYENNE shall have the right to propose to FERC or any other governing regulatory body such changes in its rates and terms of service as it deems necessary, and the Firm Loan Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any market-based rates negotiated between EAST CHEYENNE and its Customer(s) shall remain in effect during the term of the Firm Loan Service Agreement(s) specifying such rates.

### 8. CURTAILMENT

If, due to an emergency situation or when unexpected capacity loss occurs after scheduling, EAST CHEYENNE's capability to receive, store or deliver quantities of Gas is impaired so that EAST CHEYENNE is unable to receive, store or deliver the quantities provided for in its Storage Service Agreements with Customers for Firm Storage Services, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 5 of the General Terms and Conditions of this FERC Gas Tariff.

### 9. GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this FLS Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein; provided, however, that in the event of any inconsistency, the terms of this FLS Rate Schedule shall control.