

**IHBS RATE SCHEDULE
INTERRUPTIBLE HOURLY BALANCING SERVICE**

1. AVAILABILITY

This Rate Schedule is available to any Customer for the purchase of Interruptible hourly balancing service ("IHBS") from EAST CHEYENNE, provided that:

(a) EAST CHEYENNE has determined that it has sufficient operationally available and uncommitted Interruptible storage capacity and injection and withdrawal capacity to perform the service Customer has requested;

(b) Customer and EAST CHEYENNE have executed an Interruptible Hourly Balancing Service Agreement under this Rate Schedule;

(c) Customer accepts responsibility for arranging any transportation service required for utilization of the storage service provided under this Rate Schedule, including making any necessary arrangements with pipeline Transporter(s) for Customer to utilize hourly balancing service at one or more delivery points on the Transporter's (s') pipeline system(s) (any such arrangements for utilization of hourly balancing service must be acceptable to EAST CHEYENNE, in its reasonable judgment);

(d) EAST CHEYENNE has determined that it can offer Interruptible hourly balancing service between the Customer's point(s) of delivery on the transporting pipeline(s) and EAST CHEYENNE's Point(s) of Delivery/Receipt;

(e) EAST CHEYENNE has determined that the service Customer has requested will not interfere with the efficient operation of its system or with Firm Storage Services; and

(f) 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 Interruptible hourly balancing service rendered by EAST CHEYENNE to Customer through use of EAST CHEYENNE's Facility pursuant to an executed Interruptible Hourly Balancing Service Agreement.

2.1 Interruptible hourly balancing service rendered to Customer under this Rate Schedule shall consist of:

(a) The receipt on any Day of Customer's Gas per Customer's nomination up to the Maximum Daily Injection Quantity ("MDIQ") and Maximum Daily Receipt Quantity ("MDRQ") as stated in Customer's executed Interruptible Hourly Balancing Service Agreement, plus Fuel Reimbursement, at the Point(s) of Receipt and the injection of Gas so received into storage, provided that all higher priority service nominations for injections have been satisfied and Customer's Storage Inventory has not exceeded Customer's Maximum Storage Quantity ("MSQ");

(b) The storage of Gas in amounts up to the Interruptible MSQ, as stated in Customer's executed Interruptible Hourly Balancing Service Agreement, provided that all higher priority service requests to utilize Storage Inventory have been satisfied;

(c) The withdrawal from storage on any Day of Customer's Gas per Customer's nomination up to the Maximum Daily Withdrawal Quantity ("MDWQ") and Maximum Daily Delivery Quantity ("MDDQ") as stated in Customer's executed Interruptible Hourly Balancing Service Agreement and the delivery of such Gas, less Fuel Reimbursement, to the Point(s) of Delivery, provided that all higher priority service nominations for withdrawal have been satisfied and Customer has a quantity of Gas in Customer's Interruptible Storage Inventory not less than the quantity Customer shall have nominated for withdrawal on such Day; and

(d) For each hour during a Day, subject to the maximum hourly limit as set forth in Customer's Interruptible Hourly Balancing Service Agreement, the receipt or delivery by EAST CHEYENNE at the Point(s) of Receipt/Delivery designated by Customer of hourly balancing quantities of Gas which shall be the difference, on an hourly basis, between (i) the injections to or withdrawals from EAST CHEYENNE's storage of Gas as nominated by Customer to meet Customer's desired hourly pattern of deliveries at its delivery point(s) on the Transporter's (s') pipeline system(s) and (ii) Customer's ratable flow quantities on EAST CHEYENNE's system (1/24 of Daily nominated quantities); provided that all higher priority service nominations have been satisfied and that hourly balancing quantities shall not cause Customer's Interruptible Storage Inventory to exceed the MSQ set forth in Customer's Interruptible Hourly Balancing Service Agreement or to be less than zero (0).

2.2 Hourly balancing quantities must be nominated and scheduled pursuant to this Rate Schedule and Section 7 of the General Terms and Conditions of this FERC Gas Tariff. In addition to the day-ahead and intraday nominations provided for in Section 7 of the General Terms and Conditions, Customer shall be permitted to submit nominations for hourly balancing quantities, and to adjust its hourly balancing quantity nominations within a Day by providing not less than one hour notice to EAST CHEYENNE before the start of an hour for which Customer requests to change a nomination, provided that such hourly nominations, including changes in hourly nominations, are subject to confirmation with the transporting pipeline. Interruptible Hourly Balancing Service is not intended to serve as an Operational Balancing Agreement to account for hourly deviations between scheduled volumes and volumes actually taken by Customer at its point(s) of delivery on the transporting pipeline(s). Such deviations shall be subject to reconciliation pursuant to the Customer's transportation agreement(s) with its pipeline Transporter(s) and the pipeline Transporter's (s') tariff(s).

2.3 In the event Customer desires to use Interruptible balancing service for balancing at more than one delivery point on Transporters' pipeline systems under its Interruptible Hourly Balancing Service Agreement, hourly balancing quantities for each such delivery point shall be separately determined, nominated and used for purposes of billing Hourly Balancing Charges.

2.4 To the extent Interruptible storage capacity which is being utilized by an Interruptible Customer hereunder is needed by EAST CHEYENNE in order to satisfy EAST CHEYENNE's obligations to Firm Storage Service or higher priority Interruptible service Customers or to meet system needs, EAST CHEYENNE shall require Customer to withdraw all, or any portion of, the IHBS Gas quantities held in storage by EAST CHEYENNE for the account of Customer as specified by EAST CHEYENNE. Unless EAST CHEYENNE otherwise agrees, Customer shall be required to make ratable withdrawals. If Customer fails

to withdraw such IHBS Gas from storage, EAST CHEYENNE may take, free and clear of any adverse claims, title to such IHBS Storage Inventory as Customer was instructed to withdraw. EAST CHEYENNE's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to the Customer.

In the event that EAST CHEYENNE retains and takes title to any of Customer's Gas pursuant to this Section, EAST CHEYENNE shall credit the value of such Gas, net of any costs incurred by EAST CHEYENNE to take title to and/or resell such Gas, in accordance with the provisions of Section 31 of the General Terms and Conditions of this FERC Gas Tariff.

In the event EAST CHEYENNE needs to require Customer to withdraw its Gas from storage pursuant to this Section, EAST CHEYENNE shall provide day-ahead notice to Customer that it must withdraw Gas at its MDWQ during the next Day. EAST CHEYENNE shall repeat this notice on a daily basis until all of Customer's Gas is withdrawn from storage or until the circumstances necessitating interruption are alleviated. In the event Customer makes a timely nomination in response to a notification by EAST CHEYENNE pursuant to this paragraph, Customer's obligation to comply with that notification shall be tolled until such time as EAST CHEYENNE's operational conditions allow EAST CHEYENNE to schedule the nomination.

3. RATES AND CHARGES

Customer shall pay rates and charges for Interruptible hourly balancing service under this Rate Schedule including the applicable storage rate components set forth in the IHBS Rate Statement and as described below:

(a) Hourly Balancing Charge. A usage charge for each Dth of hourly balancing quantities injected to or withdrawn from storage for Customer's account pursuant to Section 2.1(d) of this Rate Schedule.

(b) Storage Inventory Charge. A usage charge for each Dth of Gas in Customer's Storage Inventory pursuant to Section 2.1(b) of this Rate Schedule at the end of each Day, for each Day during a given Month.

(c) Storage Injection Charge. A usage charge for each Dth of Customer's Gas injected into EAST CHEYENNE's facilities pursuant to Section 2.1(a) of this Rate Schedule.

(d) Storage Withdrawal Charge. A usage charge for each Dth of Customer's Gas withdrawn from EAST CHEYENNE's facilities pursuant to Section 2.1(c) of this Rate Schedule.

(e) 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 Interruptible Hourly Balancing Service Agreement.

(f) 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 Interruptible Hourly Balancing Service Agreement.

(g) 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 Interruptible Hourly Balancing Service Agreement.

4. INVOICE

Each invoice for Interruptible hourly balancing service shall reflect the applicable charges set forth under Section 3 of this Rate Schedule, at rates set forth in Customer's Interruptible Hourly Balancing Service Agreement.

5. TERM

The term for service under this Rate Schedule shall be as set forth in the executed Interruptible Hourly Balancing Service Agreement.

6. AUTHORIZATION, RATES, TERMS AND CHANGES

6.1 The Interruptible Hourly Balancing 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 storage service contemplated hereby and to construct and operate the facilities necessary to provide such service and for any connected pipeline to transport Gas to/from the Point(s) of Receipt/Delivery necessary to effect the service provided for herein.

6.2 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 Interruptible Hourly Balancing Service Agreement executed by the Parties 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(s) of the Interruptible Hourly Balancing Service Agreement(s) specifying such rates.

7. CURTAILMENT

If, due to any cause whatsoever, 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 Interruptible services without impairment of service to higher priority service Customers, 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.

8. EXPIRATION OF TERM

8.1 At least thirty (30) Days prior to the expiration of any primary term or renewed term of Customer's Interruptible Hourly Balancing Service Agreement, EAST CHEYENNE shall notify Customer to withdraw all Interruptible Storage Inventory held by EAST CHEYENNE for Customer's account; provided, however, any Interruptible Hourly Balancing Service Agreement that has a term of thirty (30) Business

Days or less shall not require such foregoing notice but notice shall be deemed to have been given on the first Day of the primary term or the renewed term of such Agreement. EAST CHEYENNE's notice to Customer may be given orally, but shall be confirmed in writing via e-mail or facsimile to Customer. Within ten (10) Days of such notice, EAST CHEYENNE and Customer shall either agree on mutually acceptable terms by which EAST CHEYENNE shall cash out the Interruptible Storage Inventory or Customer must physically withdraw the Interruptible Storage Inventory before the end of the contract term. If, by midnight on the last Day of the contract term, Customer has failed to withdraw such Interruptible Storage Inventory, then EAST CHEYENNE may take, free and clear of any adverse claims or obligation to Customer, title to such Interruptible Storage Inventory; provided, however, that if Customer was unable to withdraw its Interruptible Storage Inventory quantities due to an interruption of Customer's withdrawal service during the last ten (10) Days before termination, Customer shall be allowed an additional number of days, corresponding to the period of interruption of its withdrawal service, to withdraw its Interruptible Storage Inventory quantities following the end of the contract term.

8.2 In the event that EAST CHEYENNE retains and takes title to any of Customer's Storage Inventory pursuant to this Section 8, EAST CHEYENNE shall dispose of such Storage Inventory by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 31 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 IHBS 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 IHBS Rate Schedule shall control.