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RATE SCHEDULE FT FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

- A. This Rate Schedule FT is available to any entity (hereinafter called Shipper) which: (1) submits to Transporter a valid request for service, pursuant to Section 2 of the General Terms and Conditions of this Tariff, for which Transporter has Capacity available and the operational capability to effect service of this rate schedule; and after review and acceptance of such request by Transporter, (2) has executed a FT Service Agreement (FT Agreement) with Transporter applicable to service under this Rate Schedule FT which remains valid and in force. The form of FT Agreement is contained in this Tariff. There is no limitation on the number of FT Agreements any one Shipper may have. Multiple FT Agreements may be amended and consolidated subject to Transporter's approval.
- B. Transportation service shall include exchanges, forward-haul and back-haul service.
- C. No fee exchange service is available in Transporter's reasonable discretion and in a non-discriminatory manner when Transporter and Shipper agree that such service is mutually beneficial and produces substantially equal benefits.

2. APPLICABILITY AND CHARACTER OF SERVICE

- A. This rate schedule shall apply to the Firm transportation of Natural Gas on Transporter's System, except as provided in the General Terms and Conditions of the FERC Gas Tariff of which this Rate Schedule is a part. Transporter shall receive from Shipper, or for the account of Shipper, at those points on Transporter's System as specified in an executed FT Service Agreement between Shipper and Transporter (hereinafter referred to as "Primary Receipt Points") for transportation, daily quantities of Gas tendered for the account of Shipper up to Shipper's Maximum Daily Transportation Quantity ("MDTQ"), plus Fuel reimbursement and other deductions, as specified in the Service Agreement.
- B. Transporter shall receive from Shipper daily quantities of Gas up to Shipper's Maximum Daily Receipt Quantity ("MDRQ") at each individual Primary Receipt Point. Transporter shall, if Capacity is available, on any Day receive at any Primary Receipt Point, a quantity of Gas in excess of the applicable MDRQ. Transporter shall, if Capacity is available, on any Day receive Gas at any other Receipt Point ("Secondary Receipt Point"). Transporter shall receive at all Primary and Secondary Receipt Points, on any Day, a quantity of Gas not to

exceed the MDTQ, plus Fuel reimbursement and other deductions.

Upon receipt of Natural Gas for Shipper's account, Transporter shall, after a reduction for the FL&U Quantity and any other deductions, transport and deliver for the account of Shipper the thermal equivalent of such Gas at the "Primary Delivery Point(s)" as specified in the Service Agreement. Transporter shall, if Capacity is available, on any Day, deliver at any other Delivery Point (Secondary Delivery Point). If additional Capacity is available at a Primary Delivery Point, Shipper may use this Capacity on a Secondary basis in order to receive quantities in excess of the Maximum Daily Delivery Quantity ("MDDQ") reserved at the Primary Delivery Point. Transporter shall deliver at all Primary and Secondary Delivery Points, on any Day, a quantity of Gas not to exceed the MDTQ. Transporter will provide non-discriminatory access to Secondary points so as not to hamper the capacity release program.

- C. Transporter shall, if Capacity is available, on any Day, receive and deliver a quantity of Gas in excess of the applicable MDTQ, subject to Authorized Overrun charge provisions of this Rate Schedule FT.

2.1 Maximum Daily Transportation Quantity

The Maximum Daily Transportation Quantity ("MDTQ") shall be the maximum quantity of Natural Gas, in Dth, which Transporter agrees to deliver on any Day for the account of Shipper at all Delivery Point(s) in a contracted zone(s). Such Delivery Points and such MDTQ shall be specified in the executed Service Agreement.

2.2 Primary Receipt Point(s)

Primary Receipt Points are those Receipt Points from which the Shipper desires Firm Service and which are set forth in the Service Agreement. The quantity specified for a Primary Receipt Point shall not exceed the available Firm Capacity at that point.

2.3 Secondary Receipt Point(s)

A Shipper holding FT Service may nominate from any number of Secondary Receipt Points subject to the provisions below. The sum of the nominated quantities at all Primary and Secondary Receipt Points, less Fuel reimbursement and other deductions, shall not exceed the MDTQ of the Service Agreement on any given day. Provided, however, if Shipper exceeds the MDTQ of the Service Agreement, Shipper shall be subject to the overrun provisions of Section 3.3 of this Rate Schedule FT.

- A. Secondary Receipt Points are all other Receipt Points which are not set forth as Primary Receipt Points in the Service Agreement. If Shipper nominates Secondary Receipt Points and the maximum reservation rate of the Receipt/Delivery pair used is greater than the maximum reservation rate of the

Primary Receipt/Delivery pair, Shipper will be billed the difference in the maximum reservation rates unless otherwise agreed to in writing by Transporter.

- B. In case of a capacity release, if a Replacement Shipper utilizes any Secondary Receipt Point, the Releasing Shipper shall not be responsible for maximum reservation charges for Receipt Points outside the Primary Receipt Point capacity rights. Transporter will assess the additional reservation charge(s) to the acquiring shipper if applicable.

2.4 Maximum Daily Receipt Quantity (At Individual Receipt Point)

The Maximum Daily Receipt Quantity ("MDRQ") shall mean the maximum quantity of Natural Gas which Transporter agrees to receive on any Day at an indicated Primary Receipt Point as specified in the executed Service Agreement; provided however, that the sum of the MDRQs at all Primary Receipt Points in a contracted zone(s) shall not be in excess of the MDTQ specified in the executed Service Agreement.

2.5 Primary Delivery Point(s)

Primary Delivery Point(s) are those Delivery Points to which the Shipper desires Firm Service and which are set forth in the Service Agreement. The quantity specified for a Primary Delivery Point shall not exceed the available Firm Capacity at that point.

2.6 Secondary Delivery Point(s)

A Shipper holding FT Service may nominate from any number of Secondary Delivery Points subject to the provisions below. The sum of the nominated quantities at all Primary and Secondary Delivery Points, less Fuel reimbursement and other deductions, shall not exceed the MDTQ of the Service Agreement on any given day. Provided, however, if Shipper exceeds the MDTQ of the Service Agreement, Shipper shall be subject to the overrun provisions of Section 3.3 of this Rate Schedule FT.

- A. Secondary Delivery Points are all other Delivery Points which are not set forth as Primary Delivery Points in the Service Agreement. If Shipper uses Secondary Delivery Points and the maximum reservation rate of the Receipt/Delivery pair used is greater than the maximum reservation rate of the Primary Receipt/Delivery pair, Shipper will be billed the difference in the maximum reservation rates unless otherwise agreed to in writing by Transporter.
- B. In case of a capacity release, if a Replacement Shipper utilizes any Secondary Delivery Point, the Releasing Shipper shall not be responsible for maximum reservation charges for Delivery Points outside the Primary Delivery Point capacity rights. Transporter will assess the additional reservation charge(s) to the acquiring shipper if applicable.

2.7 Nominations at Primary or Secondary Delivery Point(s)

Shippers served under this FT Rate Schedule may nominate at either Primary or Secondary Delivery Points. Nominations at Secondary points will be scheduled pursuant to the General Terms and Conditions of this Tariff.

2.8 Maximum Daily Delivery Quantity (at individual Delivery Point)

The Maximum Daily Delivery Quantity ("MDDQ") shall mean the maximum quantity of Natural Gas which Transporter agrees to deliver on any Day at any indicated Primary Delivery Point as specified in the executed Service Agreement; provided however, the sum of the MDDQs at all Primary Delivery Points in a contracted zone(s) shall not be in excess of the MDTQ specified in the executed Service Agreement. Provided, however, if Shipper exceeds the MDDQ of the Service Agreement, Shipper shall be subject to the overrun provisions of Section 3.3 of this Rate Schedule FT.

2.9 Reduction in MDQ

Shipper may reduce a portion of its MDQ under Rate Schedules FT to the extent that all of the following conditions are satisfied:

- A. the Service Agreement was entered into as consideration for Transporter's agreement to construct new mainline expansion facilities to provide new incremental transportation service to Shipper through such facilities;
- B. Shipper is a local distribution company ("LDC") and Transporter is providing service to Shipper under the Service Agreement to one or more Primary FT Delivery Points which are located in Shipper's exclusive LDC service territory;
- C. the desired MDQ reduction is directly related to Transporter providing new incremental Firm transportation service under this rate schedule to a pre-existing end-use consumer (i.e., an end-use customer connected to Shipper's LDC System prior to or as of the effective date of the LDC's Service Agreement) of Shipper which is located within the same exclusive LDC service territory of Shipper, and such Firm transportation service will displace the Firm Service currently provided by Shipper creating a bypass to such end-user;
- D. the reduction in MDQ for bypass shall be no more than the equivalent quantity and for a term equal to the lesser of:
 - 1. the term such end-user holds Capacity directly from Transporter; or
 - 2. the remaining Primary term of the Service Agreement with Shipper executed to support construction of new mainline expansion facilities;and

- E. Shipper must provide notice of its election to so reduce the MDQ within sixty (60) Days of any such bypass, or it shall be deemed to have waived the opportunity for a MDQ reduction associated with the specific bypass.

3. RATES

- 3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule FT. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.

- 3.2 Base Monthly Charges

Each Month, under this Rate Schedule FT, Shipper shall be assessed charges consisting of:

- A. a fixed monthly reservation charge calculated as the product of the Maximum Reservation Rate as set forth in the Currently Effective Rates sheet in this Tariff for each Primary Receipt/Delivery pair, unless otherwise agreed to in writing, and the Capacity Rights reserved ("MDDQ") on the pipeline based on the Shipper's primary Points of Receipt and Primary Points of Delivery, Receipt/Delivery pair, as designated in the Service Agreement and the applicable Reservation Rate. In the event that Shipper contracts for multiple Primary Receipt and Delivery Points, the total Monthly charge shall be the sum of the charges for each Receipt/Delivery pair, calculated as described above. Reservation Charges will be prorated for partial Months using the calculation $(X/(\text{Days in the Month}))$ where X is the number of active contract days in the partial Month; and
- B. a volumetric Commodity Charge, based on the product of each Dth of Gas delivered to Shipper or for Shipper's account for such Month, multiplied by the applicable Rate Schedule FT Commodity Rate; and
- C. FL&U and Electric Power Cost Reimbursement, tendered by Shipper to Transporter based on Gas quantities at Receipt Points, will be assessed on Shipper as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff; and
- D. volumetric ACA Charges, any replacement or successor thereto or any other fee required by FERC or another agency with jurisdiction related to service hereunder and any other applicable reservation or commodity surcharges, will be assessed when applicable, as provided in the General Terms and Conditions of

this Tariff, on quantities delivered by Transporter for Shipper under this Rate Schedule FT.

3.3 Other Charges.

As applicable under this Rate Schedule FT, Shipper may be assessed additional charges consisting of:

A. Authorized Overrun Charge

Transporter may (but is not obligated to) receive, transport, and deliver on any Day (or any hour), quantities of Gas in excess of Shipper's Capacity Rights under any Agreement when, in Transporter's reasonable judgment, the Capacity and operating capability of its System will permit such receipt, transportation and delivery without impairing the ability of Transporter to meet its other obligations ("Authorized Overrun Service"). Authorized Overrun Service shall be subject to the Authorized Overrun Service priorities set forth in the General Terms and Conditions of this Tariff. Shipper shall pay Transporter the maximum Authorized Overrun Charge for Authorized Overrun Service set forth in the Currently Effective Rates of this Tariff, unless otherwise agreed in writing. Shipper may utilize Primary and Secondary Receipt and Delivery Points in accordance with the provisions of this Tariff; however, such use may result in the Shipper exceeding its Capacity Rights by rate zone (including those specified by the MDTQ, MDRQ, MDDQ or MDQ in any Service Agreement in the Tariff) or in the aggregate, exceeds the contracted zone MDTQ contained in Shipper's Service Agreement. Utilization by Shipper which exceeds its Capacity Rights shall constitute Authorized Overrun Service provided by Transporter and Shipper shall incur Authorized Overrun Charges. The applicable charge per Dth will be assessed and shall be the product of the allocated receipt or delivery Quantity whichever is greater that exceeds the Shippers rights and the applicable Authorized Overrun Charge in accordance with this Tariff, as set forth in the applicable Currently Effective Rates for this Rate Schedule. The maximum applicable rate for secondary out-of-zone transactions is the inter-zone rate of \$0.5800/Dth plus the applicable commodity rate.

B. Unauthorized Overrun Charge

For any service under this Rate Schedule which is not authorized by Transporter, including any receipt or delivery of Unauthorized Overrun Gas ("Unauthorized Overrun Service"), Transporter shall have authority to charge and may charge Shipper, in addition to the Authorized Overrun Charge and any other applicable charges or penalties pursuant to Section 33 in the General Terms and Conditions of this Tariff, an Unauthorized Overrun Charge. Such Unauthorized Overrun Charge shall include the amount of Unauthorized Overrun Service in Dth multiplied by the Unauthorized Overrun Charge as set forth in the Currently

Effective Rates in this Tariff applicable to this Rate Schedule. Any Unauthorized Overrun Charge billed and collected by Transporter shall be refunded, net of cost, to Shippers, pursuant to the General Terms and Conditions of this Tariff.

C. Monthly Cashout and Imbalance Charges

Transporter will charge for, or credit to, Shipper Imbalance quantities remaining after the Imbalance netting and trading procedures, as set out in the General Terms and Conditions of this Tariff, based upon the applicable index price percentages set forth in this Tariff.

D. Filing Fees

Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees).

E. Additional facility charges pursuant to the General Terms and Conditions of this Tariff.

F. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff.

G. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.

4. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

5. GENERAL TERMS AND CONDITIONS

The provisions of the General Terms and Conditions of this Tariff, as such provisions may be amended from time-to-time, are hereby incorporated by reference and made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

RATE SCHEDULE IT

INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule IT is available for interruptible transportation of Natural Gas to any entity (hereinafter call Shipper) which: (a) submits to Transporter a valid request for service, pursuant to Section 2 of the General Terms and Conditions of this Tariff; and after review and acceptance of such request by Transporter, and (b) has executed a Interruptible Transportation Service Agreement ("IT Agreement") with Transporter applicable to service under this Rate Schedule IT which remains valid and in force. The form of IT Agreement is contained in this Tariff. Multiple IT Agreements may be amended and consolidated subject to Transporter's approval. No fee exchange service is available in Transporter's reasonable discretion and in a non-discriminatory manner when Transporter and Shipper agree that such service is mutually beneficial and produces substantially equal benefits.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This rate schedule shall apply to the nominated interruptible transportation of Natural Gas on Transporter's System under this Rate Schedule, subject to the General Terms and Conditions of this Tariff. Such interruptible service shall be provided to Shipper only to the extent Capacity is available after Transporter has provided service to its Firm customers and to those interruptible customers with higher priority, pursuant to the General Terms and Conditions. Service hereunder shall consist of the acceptance by Transporter of Natural Gas from or for the account of Shipper at Receipt Point(s) under the IT Agreement, the transportation of that Natural Gas through Transporter's System, and the delivery of that Natural Gas, adjusted for Fuel Gas and Gas Lost and Unaccounted For as set out in the General Terms and Conditions of this Tariff, by Transporter to Shipper or for Shipper's account at Delivery Point(s) under the IT Agreement.

2.2 Maximum Daily Transportation Quantity

The Maximum Daily Transportation Quantity ("MDTQ") shall be the maximum quantity of Natural Gas in Dth which Transporter agrees to receive and/or deliver to Shipper on any Day for the account of Shipper at any nominated Receipt or Delivery Point(s), should Capacity be available. Such Delivery Points and such MDTQ shall be specified in the executed Service Agreement.

3. RATES

3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule IT. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the

General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.

3.2 Base Monthly Charges

Each Month, under this Rate Schedule IT, Shipper shall be assessed charges consisting of:

- A. a volumetric Commodity Charge, based on the product of each Dth of Gas delivered to Shipper or for Shipper's account for such Month, multiplied by the applicable Currently Effective Rates of this IT Commodity Rate;
- B. FL&U and Electric Power Cost Reimbursement, tendered by Shipper to Transporter based on Gas quantities at Receipt Points, will be assessed on Shipper as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff; and
- C. volumetric ACA Charges, any replacement or successor thereto or any other fee required by FERC or another agency with jurisdiction related to service hereunder and any other applicable reservation or commodity surcharges, will be assessed when applicable, as provided in the General Terms and Conditions of this Tariff, on quantities delivered by Transporter for Shipper under this Rate Schedule IT.

3.3 Other Charges. As applicable under this Rate Schedule IT, Shipper may be assessed additional charges consisting of:

- A. Monthly Cashout and Imbalance Charges. Transporter will charge for, or credit to, Shipper Imbalance quantities remaining after the Imbalance netting and trading procedures, as set out in the General Terms and Conditions of this Tariff, based upon the applicable index price percentages set forth in this Tariff.
- B. Filing Fees. Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees).
- C. Additional Facility Charges pursuant to the General Terms and Conditions of this Tariff.

- D. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff.
- E. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.

4. TERM

The term of service hereunder shall be set forth in the IT Agreement between Shipper and Transporter. Transporter may terminate the IT Agreement prior to the contract expiration date if Shipper fails to cause Gas to be delivered during any twelve (12) consecutive calendar Months when Capacity is available, unless Shipper's failure to deliver Gas was attributable to circumstances of Transporter's Force Majeure. Transporter will provide Shipper a sixty (60) day prior notice of such termination and Shipper must respond within 30 days to inform Transporter if Shipper desires to continue the subject IT agreement.

5. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

6. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

RATE SCHEDULE NNS NO-NOTICE SERVICE

1. AVAILABILITY

This Rate Schedule NNS is available to any entity (hereinafter called Shipper) which: (a) submits to Transporter a valid request for service, pursuant to Section 2 of the General Terms and Conditions of this Tariff, for which Transporter has Storage Capacity available and the operational capability to effect service of this rate schedule; and after review and acceptance of such request by Transporter (b) has executed a No-Notice Service Agreement ("NNS Agreement") with Transporter applicable to service under this Rate Schedule NNS which remains valid and in force. The form of NNS Agreement is contained in this Tariff. There is no limitation on the number of NNS Agreements any one Shipper may have. Multiple NNS Agreements may be amended and consolidated subject to Transporter's approval.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to the combination of Firm Transportation ("FT") and Firm Storage Services ("FSS") on Transporter's System, except as provided in the General Terms and Conditions of this Tariff.
- 2.2 Nominations at primary points are unnecessary for No-Notice Service. Subject to the provisions of this Rate Schedule NNS, No-Notice Service provides for: (a) daily Firm Service at the specified primary point(s) of any shipper requirements, up to the No-Notice Maximum Daily Contract Quantity ("MDCQ"); (b) daily injection into or withdrawal from a No-Notice storage account of any excess receipts or deliveries, respectively, at the Shipper's NNS primary points; and (c) resolution of daily Imbalances which Shipper has incurred at the Shipper's NNS primary points under FT or IT Service Agreement(s).
- 2.3 No-Notice Service may be released or segmented under the applicable provisions of the General Terms and Conditions of this Tariff and subject to the provisions of this Rate Schedule NNS.
- 2.4 No-Notice Service Shippers will be able to (1) nominate or release the embedded FT, and/or (2) nominate or release the embedded storage as FSS. When nominating or releasing the embedded FT, storage is the Primary Receipt Point and all other Receipt Points are Secondary. If either the transportation or storage component of the No-Notice Service is nominated or released separately, the applicable MDCQ under the No-Notice Service Agreement will be reduced by such amounts used separately.
- 2.5 Any Nomination or release of the FT component, separate from NNS, shall be subject to the provisions of Rate Schedule FT.

2.6 Any Nomination or release of the FSS component, separate from NNS, will be subject to the provisions of Rate Schedule FSS.

2.7 Transporter shall have the ability to waive the specific provisions of Rate Schedule NNS provided such waiver is non-discriminatory and does not adversely affect service to other shippers.

2.8 Maximum Daily Contract Quantity

The ("MDCQ") shall be the maximum quantity of Natural Gas in Dth which Transporter agrees to deliver on any Day for the account of the Shipper at all Delivery Point(s) as NNS. Each Dth of MDCQ of NNS represents a Dth of FSS deliverability ("WQ") and FT Capacity ("MTDQ") from storage to the Delivery Point(s) in a contracted zone(s). Such Delivery Point(s), WQ and MTDQ shall be specified in the executed Service Agreement. Provided, however, if Shipper exceeds the MDCQ of the Service Agreement, Shipper shall be subject to the overrun provisions of Section 3.3 of this Rate Schedule NNS.

2.9 Maximum Daily Delivery Quantity (at individual Delivery Point(s))

The Maximum Daily Delivery Quantity ("MDDQ") shall mean the maximum quantity of Natural Gas which Transporter agrees to deliver under No-Notice Service on any Day at any indicated Primary Delivery Point, as specified in the executed Service Agreement; provided however, the sum of the MDDQ at all Primary Delivery Points in a contracted zone(s) shall not be in excess of the MDCQ specified in the executed Service Agreement. Provided, however, that in the event allocated quantities delivered at Delivery Points exceed the MDCQ as specified in the executed service Agreement, Shipper will incur overrun charges as defined in this Rate Schedule NNS.

2.10 Primary Receipt Point(s)

The Primary Receipt Point for No-Notice Service is the Huntsman Storage Facility.

2.11 Primary Delivery Point(s)

Primary Delivery Point(s) are those Delivery Points which are set forth as Primary in the Service Agreement. The total of all MDDQ's specified for any Primary Delivery Point shall not exceed the total available Firm Capacity at that point.

2.12 Secondary Point(s)

A Shipper holding NNS may nominate NNS at Secondary Points consistent with the provisions above and this Rate Schedule NNS. The sum of the allocated quantities at all points, less Fuel reimbursement and other deductions shall not exceed the MDCQ, or the MDDQ, of the No-Notice Service Agreement on any given Day. Provided however, if

Shipper exceeds the MDCQ, or the MDDQ, of the Service Agreement, Shipper will incur overrun charges as defined in this Rate Schedule NNS.

- A. Secondary Points are all other points which are not set forth as the Primary Points in the No-Notice Service Agreement. If Shipper nominates Secondary Points and the maximum reservation rate of the Receipt/Delivery pair used is greater than the maximum reservation rate of the Primary Receipt/Delivery pair, Shipper shall be billed the difference in the maximum applicable reservation rates unless otherwise agreed to in writing by Transporter.
- B. In case of a Capacity release, if a Replacement Shipper utilizes any Secondary Point(s), the Releasing Shipper shall not be responsible for maximum reservation charges for point(s) outside the Primary Point(s) capacity rights. Transporter will assess the additional reservation charge(s) to the acquiring shipper, if applicable.

2.13 Maximum Storage Quantity

The Maximum Storage Quantity ("MSQ") shall be the maximum quantity of Natural Gas in Dth which Transporter agrees to store for the account of Shipper. Such MSQ shall be specified in Dth in the executed Service Agreement.

- A. Any quantities of stored Gas in excess of the MSQ will incur overrun charges as defined in this Rate Schedule NNS.
- B. Negative storage inventories will not be allowed. If a Shipper's storage inventory level would become negative (less than zero), Transporter shall deem such volumes as would cause Shipper's inventory level to become negative quantities as loaned quantities under Rate Schedule S-PALS and the corresponding maximum charges shall apply, pursuant to Section 3 of Rate Schedule S-PALS.

2.14 Injection Quantity (at the inlet of Transporter's storage facility)

The Injection Quantity ("IQ") shall be the maximum quantity of Natural Gas, net of FL&U, which Transporter agrees to receive from Shipper at the inlet side of Transporter's storage facility for injection into storage as specified in the executed Service Agreement.

- A. The IQ equals 1/90 of the Shipper's MSQ.
- B. Injections into a No-Notice Storage account can be made: (1) by nominating deliveries to the Huntsman Storage Facility either by using other transportation Agreements or by using the embedded FT component of the No-Notice Service on a Secondary basis as permitted under this Rate Schedule NNS; (2) by Transporter receiving over-delivered quantities at the Shipper's

NNS Primary Delivery Points from other transportation Agreements, which are then injected into storage; (3) by acquiring inventory from another storage service account; or (4) by receiving Gas by means other than acquisition of storage inventory.

- C. Any injection quantity in excess of the Shipper's IQ will incur overrun charges as defined in this Rate Schedule NNS.

2.15 Withdrawal Quantity (at the outlet side of Transporter's storage facility)

The Withdrawal Quantity ("WQ") shall be the maximum quantity of Natural Gas which Transporter agrees to withdraw from its storage facility on any Day, as specified in the executed Service Agreement.

- A. The WQ equals 1/45 of the Shipper's MSQ.
- B. Withdrawals from a No-Notice Storage account can be made: (1) by nominating receipts from the Huntsman Storage Facility either by using other transportation Agreements or by using the embedded FT component of the No-Notice Service on a Secondary basis as permitted under this Rate Schedule NNS; (2) by Transporter delivering quantities at the Shipper's NNS Primary Delivery Points as a result of under-deliveries from other transportation Agreements, which are then withdrawn from storage; (3) by selling inventory to another Firm storage service account; or (4) by selling Gas by means other than disposition of storage inventory.
- C. In order for a Shipper's full WQ to be available, an inventory greater than forty percent (40%) of Shipper's MSQ is required. Any withdrawal quantity in excess of the Shipper's WQ will incur overrun charges as defined in this Rate Schedule NNS.
- D. If the Shipper's stored quantity is equal to or less than forty percent (40%) of its MSQ, the Shipper's withdrawal rights will be reduced as follows:

Inventory ≤ 40% but > 20% of MSQ	75% of WQ rights
Inventory ≤ 20% but > 0% of MSQ	50% of WQ rights
Inventory = 0	0 WQ rights

Any withdrawal quantity in excess of the Shipper's reduced WQ above will incur overrun charges as defined in this Rate Schedule NNS.

2.16 In-Ground Transfers of Storage Quantities

- A. Storage inventories may be transferred between storage accounts (CMC-2, FSS, NNS, ISS or SCS) subject to the provisions of this Rate Schedule. Parties must

notify Transporter in writing of their desire to transfer, the quantity to be transferred and the effective date of any transfer. Such transfers may be executed on a prospective basis only unless otherwise agreed on a non-discriminatory basis.

- B. To conduct an In-Ground Transfer the following are required:
1. The In-Ground Transfer does not cause Transporter's obligation to provide Firm Service to increase and the transfer does not otherwise adversely affect Transporter's operations, which determinations shall be made at Transporter's sole discretion;
 2. Both the transferee and transferor of the stored quantity provide Transporter with verification of the transfer in writing on a Business Day at least four (4) hours prior to the Evening Nomination Cycle for the Date of Transfer;
 3. Transfers between Firm and Interruptible services are capped at the level equal to the daily Firm injection and/or withdrawal contract rights, less the extent to which those rights are used in a given day;
 4. The In-Ground Transfer does not cause either Shipper's storage inventory balance to go below zero (0) or above MSQ as specified in the applicable service Agreement(s);
 5. Transfers shall be effective as of the start of the Date of Transfer, assuming receipt of the verification required in Section B.2, above. Transporter shall recognize the transfer for purposes of computing available stored quantity on and after the Date of Transfer;
 6. Shippers will not be allowed to avoid overrun charges or any penalties via an In-Ground Transfer, unless otherwise agreed to in writing by Transporter; and
 7. The party receiving the In-Ground Transfer agrees to pay any applicable charges at the time of the transfer for which the party delivering the transfer has not previously paid.
- C. Upon expiration of the NNS Agreement, any Gas remaining in storage will be treated and billed as if it were an ISS Agreement. Any Gas remaining in ISS inventory sixty (60) Days after expiration of the NNS Agreement will be confiscated by Transporter. The quantity of Gas confiscated by Transporter pursuant to this Section will be cashed out at 50% of the production month cashout index and billed to the applicable NNS Shipper.

- 2.17 Notwithstanding the above, IQ or WQ Overrun Quantities resulting from Monthly transportation Imbalance trades shall not be subject to IQ or WQ authorized overrun charges.

3. RATES

- 3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule NNS. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.
- 3.2 Base Monthly Charges

Each Month, under this Rate Schedule NNS, Shipper shall be assessed charges consisting of:

- A. a fixed Monthly Reservation Charge calculated as the product of the Maximum Reservation Rate as stated on the applicable Currently Effective Rates in this Tariff for each Primary Receipt/Delivery pair, unless otherwise agreed to in writing, and the Capacity reserved ("MDDQ") on the pipeline based on the Shipper's Primary Receipt/Delivery pair, as designated in the Service Agreement. In the event that Shipper contracts for multiple Primary Receipt and Delivery Points, the total Monthly charge shall be the sum of the charges for each Receipt/Delivery pair, calculated as described above. Reservation Charges will be prorated for partial Months using the calculation $(X/\text{Days in the Year})$ where X is the number of active contract days in the partial Month; and
- B. a volumetric Commodity Charge, based on the product of each Dth of Gas delivered to Shipper or for Shipper's account for such Month, multiplied by the applicable Rate Schedule NNS Commodity Rate; and
- C. FL&U and Electric Power Cost Reimbursement, tendered by Shipper to Transporter based on Gas quantities at Receipt Points and/or storage injections, will be assessed on Shipper as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff; and
- D. volumetric ACA Charges, any replacement or successor thereto or any other fee required by FERC or another agency with jurisdiction related to service hereunder and any other applicable reservation or commodity surcharges, will be assessed when applicable, as provided in the General Terms and Conditions of this Tariff, on quantities delivered by Transporter for Shipper under this Rate Schedule FT.

3.3 Other Charges

As applicable under this Rate Schedule NNS, Shipper may be assessed additional charges consisting of:

A. Authorized Overrun Charge (for WQ, IQ, MSQ, MDDQ and MDCQ)

Authorized Overrun Charge (for WQ, IQ and MSQ). If, on any day, Shipper exceeds its applicable WQ or IQ, and has not exceeded its contracted zone MDDQ by rate zone or MDCQ, as defined under this Rate Schedule NNS, such quantities shall be subject to an overrun charge equal to the Interruptible Storage Service (ISS) rate as shown on the applicable rate section of this Tariff multiplied by the overrun quantity, unless otherwise agreed to in writing by Transporter. If on any day, Shipper exceeds its applicable MSQ as defined under this Rate Schedule NNS, such quantities shall be subject to an overrun charge equal to the Interruptible Storage Service (ISS) rate as shown on the applicable rate section of this Tariff multiplied by the daily average overrun quantity during the month, unless otherwise agreed to in writing by Transporter.

Authorized Overrun Charge (for MDDQ and MDCQ). If, on any day, Shipper exceeds the contracted zone MDDQ by rate zone, or in the aggregate, exceeds the contracted zone MDCQ contained in Shipper's No-Notice Service Agreement, Transporter may authorize such additional quantities of gas. Quantities of gas moved in excess of the MDDQ or the MDCQ will be subject to a charge equal to the applicable NNS authorized overrun rate as shown on the applicable rate section of this Tariff multiplied by the overrun receipt or delivery Quantity whichever is greater, unless otherwise agreed to in writing by Transporter. The maximum applicable rate for secondary out-of-zone transactions is the inter-zone rate of \$0.5800/Dth plus the applicable commodity rate.

B. Unauthorized Overrun Charge

For any service under this Rate Schedule which is not authorized by Transporter, including any receipt or delivery of Unauthorized Overrun Gas ("Unauthorized Overrun Service"), Transporter shall have authority to charge and may charge Shipper, in addition to the Authorized Overrun Charge and any other applicable charges or penalties pursuant to Section 33 in the General Terms and Conditions of this Tariff, an Unauthorized Overrun Charge. Such Unauthorized Overrun Charge shall include the amount of Unauthorized Overrun Service in Dth multiplied by the Unauthorized Overrun Charge as set forth in the Currently Effective Rates in this Tariff applicable to this Rate Schedule. Any Unauthorized Overrun Charge billed and collected by Transporter shall be refunded, net of cost, to Shippers, pursuant to the General Terms and Conditions of this Tariff.

C. Filing Fees

Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees).

- D. Additional Facility Charges pursuant to the General Terms and Conditions of this Tariff.
- E. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff.
- F. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.

4. SMALL CUSTOMER EXEMPTION

- A. Small Customer Service ("SCS")

For a five (5) year period from the date of implementation of Transporter's restructured services, and continuing through the term of the Stipulation and Agreement in Docket No. RP98-117, et. al. ("Stipulation and Agreement"), and in Transporter's next two base rate proceedings promulgated under Section 4 of the Natural Gas Act (Section 4 general base rate proceeding) a currently existing small customer whose current contract quantity as of the date of implementation was equal to or less than 5000 Dth per day, will qualify for the Small Customer Exemption. This exemption shall only be available to those small customers who take one hundred percent (100%) NNS, with all their Delivery points on one contract. During the term of the Stipulation and Agreement, such small customers will be billed at the rates stated in the applicable rate section of TGIT's FERC Gas Tariff, which are based upon the applicable maximum reservation charges for No-Notice Service ("NNS") shippers and the applicable NNS injection and withdrawal rates. Such small customer rates reflect a single reservation and injection and withdrawal rate.

In Transporter's first two Section 4 general base rate proceedings subsequent to the Stipulation and Agreement in Docket N RP98-117, the single reservation rate applicable to qualifying small customers will be based on the following formula:

After calculating the applicable NNS rates, Transporter will multiply such rate by fifty percent (50%).

Other than reservation rates charged, SCS Shippers are subject to all NNS terms and conditions, NNS Form of Service Agreement and General Terms and Conditions of this tariff.

If after the course of the next Section 4 general base rate proceeding following the Natural Gas Act Section 4 rate case filed by Transporter in 2015, it chooses to propose changes to the SCS rate schedule, such changes will be proposed to be effective prospectively from the date of a final Commission Order addressing any such changes.

5. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

6. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

RATE SCHEDULE FSS FIRM STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule FSS is available to any entity (hereinafter called Shipper) which: (a) submits to Transporter a valid request for service, pursuant to Section 2 of the General Terms and Conditions of this Tariff, for which Transporter has Storage Capacity available and the operational capability to effect service of this rate schedule; and after review and acceptance of such request by Transporter (b) has executed a Firm Storage Service Agreement ("FSS Agreement") with Transporter applicable to service under this Rate Schedule FSS which remains valid and in force. The form of FSS Agreement is contained in this Tariff. There is no limitation on the number of FSS Agreements any one Shipper may have. Multiple FSS Agreements may be amended and consolidated subject to Transporter's approval.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The Firm Storage Service provided hereunder is a nominated service consisting of the injection by Transporter of Shipper's Gas into Transporter's storage facility, storage of such Gas in Transporter's storage facility and the subsequent withdrawal from Transporter's storage facility all on a Firm nominated basis, subject to the General Terms and Conditions of this Tariff. Firm Storage Service is only available for injection into and withdrawal from Shipper's FSS account on a nominated basis. Use of FSS requires nominated attendant transportation service to transport Gas to and from Transporter's storage facility for Shipper's FSS account. For attendant transportation Agreements, the full transportation commodity charge(s) will only be assessed on withdrawals, not injections.

Transporter shall have the ability to waive the specific provisions of Rate Schedule FSS provided such waiver is non-discriminatory and does not adversely affect service to other shippers.

2.2 Maximum Storage Quantity

The Maximum Storage Quantity ("MSQ") shall be the maximum quantity of Natural Gas in Dth which Transporter agrees to store for the account of Shipper. Such MSQ shall be specified in Dth in the executed Service Agreement.

A. Any quantities of stored Gas in excess of the MSQ will incur overrun charges as defined in this Rate Schedule FSS.

2.3 Injection Quantity (at the inlet of Transporter's storage facility)

The Injection Quantity ("IQ") shall be the maximum quantity of Natural Gas, net of FL&U, which Transporter agrees to receive from Shipper at the inlet side of Transporter's storage facility for injection into storage as specified in the executed Service Agreement.

- A. The IQ equals 1/90 of the Shipper's MSQ
- B. Transporter shall not be obligated to, but may at its option, on any Day receive at the inlet side of Transporter's storage facility, a quantity of Gas in excess of the applicable IQ. Any injection quantity in excess of the Shipper's IQ will incur overrun charges as defined in this Rate Schedule FSS.

2.4 Withdrawal Quantity (at the outlet side of Transporter's storage facility)

The Withdrawal Quantity ("WQ") shall be the maximum quantity of Natural Gas which Transporter agrees to withdraw from its storage facility on any Day, as specified in the executed Service Agreement.

- A. The WQ equals 1/45 of the Shipper's MSQ.
- B. In order for a Shipper's full WQ to be available, an inventory greater than forty percent (40%) of Shipper's MSQ is required. Transporter shall not be obligated to, but may at its option, on any Day deliver at the outlet side of Transporter's storage facility, a quantity of Gas in excess of the WQ. Any withdrawal quantity in excess of the Shipper's WQ will incur overrun charges as defined in this Rate Schedule FSS.
- C. If the Shipper's stored quantity is equal to or less than forty percent (40%) of its MSQ, the Shipper's withdrawal rights will be reduced as follows:

Inventory \leq 40% but $>$ 20% of MSQ	75% of WQ rights
Inventory \leq 20% but $>$ 0% of MSQ	50% of WQ rights
Inventory = 0	0 WQ rights

Any withdrawal quantity in excess of the Shipper's reduced WQ above will incur overrun charges as defined in this Rate Schedule FSS.

2.5 Negative storage inventories will not be allowed. If a Shipper's storage inventory level would become negative (less than zero), Transporter shall deem such volumes as would cause Shipper's inventory level to become negative quantities as loaned quantities under Rate Schedule S-PALS and the corresponding maximum charges shall apply, pursuant to Section 3 of Rate Schedule S-PALS.

2.6 In-Ground Transfers of Storage Quantities

- A. Storage inventories may be transferred, by sale or otherwise, between storage accounts (CMC-2, FSS, NNS, ISS or SCS) subject to the provisions of this Rate Schedule. Parties must notify Transporter in writing of their desire to transfer, the quantity to be transferred and the effective date of any transfer. Such transfers may be executed on a prospective basis only unless otherwise agreed on a non-discriminatory basis.
- B. To conduct an In-Ground Transfer the following are required:
1. The In-Ground Transfer does not cause Transporter's obligation to provide Firm Service to increase and the transfer does not otherwise adversely affect Transporter's operations, which determinations shall be made at Transporter's sole discretion;
 2. Both the transferee and transferor of the stored quantity provide Transporter with verification of the transfer in writing on a Business Day at least four (4) hours prior to the Evening Nomination Cycle for the Date of Transfer;
 3. Transfers between Firm and Interruptible services are capped at the level equal to the daily Firm injection and/or withdrawal contract rights, less the extent to which those rights are used in a given day;
 4. The In-Ground Transfer does not cause either Shipper's storage inventory balance to go below zero (0) or above MSQ as specified in the applicable service Agreement(s);
 5. Transfers shall be effective as of the start of the Date of Transfer, assuming receipt of the verification required in Section B.2, above. Transporter shall recognize the transfer for purposes of computing available stored quantity on and after the Date of Transfer;
 6. Shippers will not be allowed to avoid overrun charges or any penalties via an In-Ground Transfer, unless otherwise agreed to in writing by Transporter; and
 7. The party receiving the In-Ground Transfer agrees to pay any applicable charges at the time of the transfer for which the party delivering the transfer has not previously paid.
- 2.7 Upon expiration of the FSS Agreement, any Gas remaining in storage will be treated and billed as if it were an ISS Agreement. Any Gas remaining in ISS inventory sixty (60) Days after expiration of the FSS Agreement will be confiscated by Transporter. The quantity of Gas confiscated by Transporter pursuant to this Section will be cashed out at 50% of the production month cashout index and billed to the applicable FSS Shipper.

- 2.8 Notwithstanding the above, IQ or WQ Overrun Quantities resulting from Monthly transportation Imbalance trades shall not be subject to IQ or WQ authorized overrun charges.

3. RATES

- 3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule FSS. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.
- 3.2 Base Monthly Charges. Each Month, under this Rate Schedule FSS, Shipper shall be assessed charges consisting of:
- A. a Deliverability Reservation Charge shall be the product of the Maximum Deliverability Reservation rate, unless otherwise agreed to in writing; and the Withdrawal Quantity ("WQ") specified in Shipper's FSS Agreement;
 - B. a Capacity Reservation Charge shall be the product of the Maximum Capacity Reservation Rate, unless otherwise agreed to in writing; and the Maximum Storage Quantity ("MSQ") specified in Shipper's FSS Agreement;
 - C. The applicable Commodity Injection Charge multiplied by the quantity in Dth of Gas injected, net of FL&U, by Transporter during the Month;
 - D. The applicable Commodity Withdrawal Charge multiplied by the quantity in Dth of Gas withdrawn by Transporter during the Month; and
 - E. FL&U and Electric Power Cost Reimbursement, tendered by Shipper to Transporter based on Gas quantities of storage injections, will be assessed on Shipper as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff.
- 3.3 Other Charges. As applicable under this Rate Schedule FSS, Shipper may be assessed additional charges consisting of:
- A. Authorized Overrun Charge (for WQ, IQ and MSQ). If, on any Day, Shipper exceeds its applicable WQ or IQ, as defined under this Rate Schedule FSS, such quantities shall be subject to an overrun charge equal to the Interruptible Storage Service ("ISS") rate as shown on the applicable rate section of this Tariff multiplied by the overrun quantity, unless otherwise agreed to in writing by Transporter. If on any Day, Shipper exceeds its applicable MSQ as defined

under this Rate Schedule FSS, such quantities shall be subject to an overrun charge equal to the ISS rate as shown on the applicable rate section of this Tariff, multiplied by the daily average overrun quantity during the Month, unless otherwise agreed to by Transporter;

- B. Unauthorized Overrun Charge. For any service under this Rate Schedule which is not authorized by Transporter, including any receipt or delivery of Unauthorized Overrun Gas ("Unauthorized Overrun Service"), Transporter shall have authority to charge and may charge Shipper, in addition to the Authorized Overrun Charge and any other applicable charges or penalties pursuant to Section 33 in the General Terms and Conditions of this Tariff, an Unauthorized Overrun Charge. Such Unauthorized Overrun Charge shall include the amount of Unauthorized Overrun Service in Dth multiplied by the Unauthorized Overrun Charge as set forth in the Currently Effective Rates in this Tariff applicable to this Rate Schedule. Any Unauthorized Overrun Charge billed and collected by Transporter shall be refunded, net of cost, to Shippers, pursuant to the General Terms and Conditions of this Tariff;
- C. Notwithstanding the charges provided herein, Transporter has the right to reduce receipts or deliveries in excess of the Shipper's maximum quantities as stated in its Firm Storage Service Agreement at any time, in its reasonable discretion, as necessary to protect the integrity of its System, including maintenance of service to other shippers;
- D. Filing Fees. Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees);
- E. Additional Facility Charges pursuant to the General Terms and Conditions of this Tariff;
- F. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff; and
- G. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.

4. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

5. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule; the provisions of this Rate Schedule shall govern.

RATE SCHEDULE CMC-2

Cheyenne Market Center Service

1. AVAILABILITY

This Rate Schedule CMC-2 is available to any entity (hereinafter called Shipper) which: (a) submits to Transporter a valid request, pursuant to Section 2 of the General Terms and Conditions of this Tariff, for which Transporter has Storage Capacity available and the operational capability to effect service of this rate schedule; and after review and acceptance of such request by Transporter (b) has executed a Service Agreement ("CMC-2 Agreement") with Transporter applicable to service under this Rate Schedule CMC-2 which remains valid and in force. The form of CMC-2 Agreement is contained in this Tariff. There is no limitation on the number of CMC-2 Agreements any one Shipper may have. Multiple CMC-2 Agreements may be amended and consolidated subject to Transporter's approval.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 The Firm Service provided hereunder is a nominated service comprised of the receipt of Gas at the applicable Cheyenne Market Center Receipt Point(s), injection and storage of Gas in Transporter's storage facility up to the Maximum Storage Quantity ("MSQ") set forth in the Service Agreement, and the subsequent withdrawal and re-delivery of Gas back to the applicable Cheyenne Market Center Delivery Point(s) on a uniform hourly basis, subject to the General Terms and Conditions of this Tariff and further provisions of the Service Agreement.
- 2.2 Maximum Storage Quantity ("MSQ") - Shall mean the maximum quantity of Natural Gas Transporter agrees to store on behalf of the Shipper at the Transporter's storage facilities on any Day. Shipper's MSQ shall be as specified in the executed Service Agreement.
- 2.3 Maximum Daily Receipt Quantity ("MDRQ") - Shall mean the maximum quantity of Natural Gas that Transporter agrees to receive on any Day at a Primary Receipt Point as specified in the executed Service Agreement net of the FL&U Reimbursement Quantity. The sum of all MDRQ's shall equal the IQ.
- 2.4 Maximum Daily Delivery Quantity ("MDDQ") - Shall mean the maximum quantity of Natural Gas that Transporter agrees to deliver on any Day at a Primary Delivery Point as specified in the executed Service Agreement net of the FL&U Reimbursement Quantity. The sum of all MDDQ's shall equal the WQ.
- 2.5 Maximum Daily Injection Quantity ("IQ") - Shall mean the maximum quantity of Natural Gas that Transporter agrees to receive from Shipper at the inlet side of Transporter's storage facilities for injection into storage on any Day. The total of the MDRQs specified in the executed Service Agreement shall equal the Shipper's full IQ, which shall equal the product of 0.0064 multiplied by the MSQ.

2.6 Maximum Daily Withdrawal Quantity ("WQ") - Shall mean the maximum quantity of Natural Gas that Transporter agrees to withdraw from its storage facilities on any Day.

- A. The WQ shall equal the product of 0.0104 multiplied by the MSQ.
- B. In order for the Shipper's full WQ to be available, a minimum inventory greater than fifteen percent (15%) of its MSQ must be in the Shipper's storage account. Transporter shall not be obligated to, but may at its option, on any Day deliver at the outlet side to Transporter's storage facility, a quantity of Gas in excess of the WQ. Any withdrawal quantity in excess of the Shipper's WQ will incur overrun charges as defined in this Rate Schedule CMC-2.
- C. If the Shipper's stored quantity is equal to or less than 15% of its MSQ, the Shipper's withdrawal rights will be reduced as follows:

Inventory \leq 15% but $>$ 5% of MSQ	50% WQ rights
Inventory \leq 5% of MSQ	25% WQ rights
Inventory = 0	0 WQ rights

2.7 Receipt and Delivery Points:

- A. Shipper may designate in the Service Agreement one or more primary points of receipt, each of which will have a MDRQ net of the FL&U Reimbursement Quantity.
- B. Shipper may designate in the Service Agreement one or more primary points of delivery, each of which will have a MDDQ.
- C. Eligible Receipt and Delivery Points for CMC-2 service will be listed on Transporter's Cheyenne Market Center Master Point List ("MPL") on its Interactive Website. Any MPL point that a Shipper does not select as a Primary Receipt or Delivery Point shall be available to a Shipper, or Replacement Shipper, as a Secondary Receipt or Delivery Point, as applicable.
 - 1. Shipper may nominate from Secondary Receipt Points up to the aggregate MDRQ Capacity, which has been reserved in the Cheyenne Market Center area.
 - 2. Shipper may nominate to Secondary Delivery Points up to the aggregate MDDQ Capacity, which has been reserved in the Cheyenne Market Center area.
 - 3. To be valid points on the MPL, meters must have telemetered Electronic Flow Measurement, flow control equipment, be designated by

Transporter as Cheyenne Market Center Points, and be located on or within the area of facilities designated to provide service under Rate Schedule CMC-2, as defined herein.

4. Points may be added to the MPL by Transporter at its sole discretion.
 5. Points may be deleted from the MPL by Transporter from time-to-time consistent with the Commission's rules and regulations.
- D. Service provided at the Primary and Secondary Receipt Points and Primary and Secondary Delivery Points shall be provided on a Firm basis subject to the Nomination, Scheduling, Curtailment and interruption provisions of the General Terms and Conditions of this Tariff.

2.8 Interaction with other Transportation Services

Shipper may utilize the service under this Rate Schedule CMC-2 in conjunction with a separate transportation Agreement, by nominating under a separate transportation Agreement, a receipt from or delivery to the Huntsman Storage point together with a Nomination to use CMC-2 Service. In addition to the applicable Reservation Charge paid under this Rate Schedule CMC-2 and charges incurred under the separate transportation service Agreement, Shipper shall pay the applicable Commodity Injection or Commodity Withdrawal Charge, as appropriate, and the FL&U factor(s) under this Rate Schedule CMC-2, for such activity and such other charge as authorized by the Commission from time-to-time. When this option is elected, the transportation service utilized shall be subject to the provisions of the applicable transportation rate schedule.

2.9 In-Ground Transfers of Storage Quantities

- A. Storage inventories may be transferred, between storage accounts (CMC-2, FSS, ISS, NNS or SCS) subject to the provisions of this Rate Schedule. Parties must notify Transporter in writing of their desire to transfer, the quantity to be transferred and the effective date of any transfer. Such transfers may be executed on a prospective basis only unless otherwise agreed on a non-discriminatory basis.
- B. To conduct an In-Ground Transfer the following are required:
 1. The In-Ground Transfer does not cause Transporter's obligation to provide Firm Service to increase and the transfer does not otherwise adversely affect Transporter's operations, which determinations shall be made at Transporter's sole discretion;
 2. Both the transferee and transferor of the stored quantity provide Transporter with verification of the transfer in writing on a Business Day

- at least four (4) hours prior to the Evening Nomination Cycle for the Date of Transfer;
3. Transfers between Firm and Interruptible services are capped at the level equal to the daily Firm injection and/or withdrawal contract rights, less the extent to which those rights are used in a given day;
 4. The In-Ground Transfer does not cause either Shipper's storage inventory balance to go below zero (0) or above MSQ as specified in the applicable service Agreement(s);
 5. Transfers shall be effective as of the start of the Date of Transfer, assuming receipt of the verification required in Section B.2, above. Transporter shall recognize the transfer for purposes of computing available stored quantity on and after the Date of Transfer;
 6. Shippers will not be allowed to avoid overrun charges or any penalties via an In-Ground Transfer, unless otherwise agreed to in writing by Transporter; and
 7. The party receiving the In-Ground Transfer agrees to pay any applicable charges at the time of the transfer for which the party delivering the transfer has not previously paid.
- C. In addition to the conditions set forth above, In-Ground Transfers from FSS, NNS or SCS service to CMC-2 service shall be allowed only if the In-Ground Transfer from NNS, SCS or FSS to CMC-2 is not used to satisfy any cycling requirements applicable under NNS, SCS or FSS service unless otherwise agreed to in writing.
- D. Upon expiration of the CMC-2 Agreement, any Gas remaining in storage will be treated and billed as if it were an ISS Agreement. Any Gas remaining in ISS inventory sixty (60) days after expiration of the CMC-2 Agreement will be confiscated by Transporter. The quantity of Gas confiscated by Transporter pursuant to this Section will be cashed out at 50% of the production month cashout index and billed to the applicable CMC-2 Shipper.
- 2.10 In the event of Capacity Release under this CMC-2 Rate Schedule, in the aggregate or which results in separate storage and transportation components, the releasing Shipper's WQ and IQ shall be reduced by the corresponding amount of MDRQ and MDDQ released.
- 2.11 Negative storage inventories will not be allowed. If a Shipper's storage inventory level would become negative (less than zero), Transporter shall deem such volumes as would cause Shipper's inventory level to become negative quantities as loaned quantities

under Rate Schedule S-PALS and the corresponding maximum charges shall apply, pursuant to Section 3 of Rate Schedule S-PALS.

2.12 Intraday Nominations

In addition to the Intraday Nominations under Section 9 of the General Terms and Conditions of this Tariff, Shipper may make two out-of-cycle (OOC) Intraday Nominations per Day to be effective on a prospective basis on any hour of the Gas Day if such Intraday Nomination is submitted at least 2 hours prior to the time the OOC Intraday Nomination is to become effective. Shipper must confirm service availability with Transporter's Gas Control prior to submitting the OOC Nomination by both telephone and email. The total Nominations for any hour of the Gas Day shall not exceed 1/24 of Shipper's MDRQ or MDDQ, unless otherwise authorized by Transporter. Shipper's OOC Intraday Nomination shall be implemented upon confirmation by the Point Operators of the Points of Receipt and Delivery and if Transporter's System operating conditions will allow such OOC Intraday Nomination, except that such an OOC 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 Point Operator at the Point of Receipt and Point of Delivery has confirmed Shipper's Nomination.

Shipper must nominate separately any injection or withdrawal Intraday Nominations for both OOC and NAESB cycle Intraday Nominations.

3. RATES

- 3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule CMC-2. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.
- 3.2 Base Monthly Charges. Each Month, under this Rate Schedule CMC-2, Shipper shall be assessed charges consisting of:
- A. a Transportation Reservation Charge, which shall equal the result of the Shipper's MSQ, divided by 12 multiplied by the Transportation Reservation Rate;
 - B. a Transportation Commodity Charge, which shall equal the Transportation Commodity Rate multiplied by each Dth of Gas (net of Fuel) delivered;
 - C. a Storage Deliverability Reservation Charge, which shall equal the result of the Shipper's MSQ divided by 12 multiplied by the Storage Deliverability Reservation Rate;

- D. a Storage Capacity Reservation Charge, which shall equal the result of the Shipper's MSQ divided by 12 multiplied by the Storage Capacity Reservation Rate;
 - E. a Storage Injection Charge, which shall equal the Storage Injection Rate multiplied by the quantity in Dth of Gas injected by Transporter;
 - F. a Storage Withdrawal Charge, which shall equal the Storage Withdrawal Rate multiplied by the quantity in Dth of Gas withdrawn by Transporter;
 - G. FL&U and Electric Power Cost Reimbursement, will be assessed upon injection of Gas into Transporter's System under a Shipper's appropriate CMC-2 Service Agreement, that is not used in conjunction with another Firm or Interruptible transportation service Agreement, as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff. For Capacity Release of CMC-2 service resulting in separate storage and transportation service components, the FL&U rate for the transmission component and storage component shall be separately assessed as set forth on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff; and
 - H. volumetric ACA Charges, any replacement or successor thereto or any other fee required by FERC or another agency with jurisdiction related to service hereunder and any other applicable surcharges, will be assessed when applicable, as provided in the General Terms and Conditions of this Tariff, on quantities delivered by Transporter for Shipper under this Rate Schedule CMC-2.
- 3.3 Other Charges. As applicable under this Rate Schedule CMC-2, Shipper may be assessed additional charges consisting of:
- A. Authorized Overrun Charge. Authorized Overruns (WQ, IQ, MSQ, MDRQ or MDDQ) shall be the quantity of Gas nominated and scheduled hereunder that exceeds the contract aggregate MDRQ, aggregate MDDQ or causes the Shipper to exceed their WQ, IQ or MSQ. Authorized Overrun and interruptible services at the same rates shall be scheduled pro rata. Shipper shall pay for any Dth of Authorized Overrun, the product of the Authorized Overrun quantity multiplied by the applicable CMC-2 Authorized Overrun Rate set forth in the Currently Effective Rates of the Tariff, subject to any contrary provision of the CMC-2 Service Agreement or a separate Discounted or Negotiated Rate Agreement;
 - B. For any service under this Rate Schedule which is not authorized by Transporter, including any receipt or delivery of Unauthorized Overrun Gas ("Unauthorized Overrun Service"), Transporter shall have authority to charge and may charge Shipper, in addition to the Authorized Overrun Charge and any other applicable

charges or penalties pursuant to Section 33 in the General Terms and Conditions of this Tariff, an Unauthorized Overrun Charge. Such Unauthorized Overrun Charge shall include the amount of Unauthorized Overrun Service in Dth multiplied by the Unauthorized Overrun Charge as set forth in the Currently Effective Rates in this Tariff applicable to this Rate Schedule. Any Unauthorized Overrun Charge billed and collected by Transporter shall be refunded, net of cost, to Shippers, pursuant to the General Terms and Conditions of this Tariff;

- C. Filing Fees. Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees);
- D. Additional Facility Charges pursuant to the General Terms and Conditions of this Tariff;
- E. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff; and
- F. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.

4. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

5. GENERAL TERMS AND CONDITIONS

The provisions of the General Terms and Conditions of this Tariff, as such provisions may be amended from time-to-time, are hereby incorporated by reference and made a part of this Rate Schedule CMC-2. To the extent that the General Terms and Conditions of this Tariff are inconsistent with the provisions of this Rate Schedule CMC-2, the provisions of this Rate Schedule CMC-2 shall govern.

RATE SCHEDULE ISS

Interruptible Storage Service

1. AVAILABILITY

This Rate Schedule ISS is available to any entity (hereinafter called Shipper) which: (a) submits to Transporter a valid request, pursuant to Section 2 of the General Terms and Conditions of this Tariff, and after review and acceptance of such request by Transporter (b) has executed an Interruptible Storage Service Agreement ("ISS Agreement") with Transporter applicable to service under this Rate Schedule ISS which remains valid and in force. The form of ISS Agreement is contained in this Tariff. There is no limitation on the number of ISS Agreements any one Shipper may have. Multiple ISS Agreements may be amended and consolidated subject to Transporter's approval.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to Interruptible Storage Service on Transporter's System, except as provided in of the General Terms and Conditions of this Tariff. Such interruptible service shall be provided to Shipper only to the extent Capacity is available after operational needs and after Transporter has provided service to shippers with a higher priority.
- 2.2 Interruptible Storage Service ("ISS") is only available for injection into and withdrawal from Shipper's ISS account on an interruptible basis. Use of ISS requires attendant nominated transportation service to transport Gas to and from Shipper's ISS account. For attendant transportation Agreements, the full transportation commodity charge will only be assessed on withdrawals, not injections. Injections and withdrawals for ISS will be allowed to the extent Capacity is available.
- 2.3 Transporter shall have the ability to waive the specific provisions of Rate Schedule ISS provided such waiver is non-discriminatory and does not adversely affect service to other Shippers.
- 2.4 In-Ground Transfers of Storage Quantities
 - A. Storage inventories may be transferred between storage accounts (CMC-2, FSS, ISS, NNS or SCS) subject to the provisions of this Rate Schedule. Parties must notify Transporter in writing of their desire to transfer, the quantity to be transferred and the effective date of any transfer. Such transfers may be executed on a prospective basis only unless otherwise agreed on a non-discriminatory basis.
 - B. To conduct an In-Ground Transfer the following are required:

1. The In-Ground Transfer does not cause Transporter's obligation to provide Firm Service to increase and the transfer does not otherwise adversely affect Transporter's operations, which determinations shall be made at Transporter's sole discretion;
 2. Both the transferee and transferor of the stored quantity provide Transporter with verification of the transfer in writing on a Business Day at least four (4) hours prior to the Evening Nomination Cycle for the Date of Transfer;
 3. Transfers between Firm and Interruptible services are capped at the level equal to the daily Firm injection and/or withdrawal contract rights, less the extent to which those rights are used in a given day;
 4. The In-Ground Transfer does not cause either Shipper's storage inventory balance to go below zero (0) or above MSQ as specified in the applicable service Agreement(s);
 5. Transfers shall be effective as of the start of the Date of Transfer, assuming receipt of the verification required in Section B.2. above. Transporter shall recognize the transfer for purposes of computing available stored quantity on and after the Date of Transfer;
 6. Shippers will not be allowed to avoid overrun charges or any penalties via an In-Ground Transfer, unless otherwise agreed to in writing by Transporter; and
 7. The party receiving the In-Ground Transfer agrees to pay any applicable charges at the time of the transfer for which the party delivering the transfer has not previously paid.
- C. Upon expiration of the ISS Agreement, any Gas remaining in storage will be treated and billed as if it were an ISS agreement. Any Gas remaining in ISS inventory sixty (60) Days after expiration of the ISS Agreement will be confiscated by Transporter. The quantity of Gas confiscated by Transporter pursuant to this Section will be cashed out at 50% of the production month cashout index and billed to the applicable CMC-2 Shipper.

2.5 Maximum Storage Quantity

- A. The Maximum Storage Quantity (MSQ) shall be the maximum quantity of Natural Gas in Dth which Transporter agrees to store on any Day for the account of Shipper should Capacity be available. Such quantities shall be specified in the executed Service Agreement.

- B. Negative storage inventories will not be allowed. If a Shipper's storage inventory level would become negative (less than zero), Transporter shall deem such volumes as would cause Shipper's inventory level to become negative quantities to be loaned quantities under Rate Schedule S-PALS and applicable maximum charges shall apply pursuant to Section 3 of Rate Schedule S-PALS.

3. RATES

The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule ISS. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.

3.1 Base Monthly Charges

Each Month, under this Rate Schedule ISS, Shipper shall be assessed charges consisting of:

- A. the Commodity Charge shall be the product of the applicable maximum ISS rate, unless otherwise agreed to in writing; and the Shipper's daily average inventory in Dth during the Month; and
- B. FL&U and Electric Power Cost Reimbursement, tendered by Shipper to Transporter based on Gas quantities of storage injections, will be assessed on Shipper as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff.

3.2 Other Charges

As applicable under this Rate Schedule ISS, Shipper may be assessed additional charges consisting of:

- A. **Filing Fees.** Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees);
- B. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff; and

- C. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.

4. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

5. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

RATE SCHEDULE PALS PARK AND LOAN SERVICE

1. AVAILABILITY

This Rate Schedule PALS is available to any entity (hereinafter called Shipper) which: (a) submits to Transporter a valid request, pursuant to Section 2 of the General Terms and Conditions of this Tariff, and after review and acceptance of such request by Transporter (b) has executed a PALS Service Agreement and (c) enters into one or more valid PALS Request Order Forms ("PALS RO"), as defined in Section 5 hereof which, when executed by Transporter and Shipper, shall evidence their Agreement as to the terms of the particular transaction(s) to park and loan Gas pursuant to the PALS Service Agreement which remains valid and in force. The form of PALS Request Order is contained in this Tariff. Shipper shall arrange separately with Transporter and others as necessary for any transportation attendant to the PAL service provided hereunder, i.e., in delivering Gas to or taking Gas away from the designated point(s), and Shipper shall pay separately for such transportation service. Shipper shall provide Transporter with reasonable assurances that Shipper can satisfactorily perform under an applicable PALS RO.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 To implement a specific park and/or loan transaction, Transporter and the Shipper with a PALS Service Agreement in effect shall enter into a PALS RO. This Rate Schedule PALS shall apply to all PAL services which are rendered by Transporter pursuant to an executed PALS Service Agreement and related PALS RO. Under Rate Schedule PALS, a Shipper may nominate a quantity of Gas at mutually agreeable point(s) on Transporter's System, to be held or loaned by Transporter for a specified period defined in the PALS RO. It is understood that Transporter is providing the PAL service hereunder as an interruptible service through the use of its line pack and/or operational Gas; Transporter is not providing a Gas supply service under this Rate Schedule PALS, nor is Transporter providing a storage or transportation service under this Rate Schedule PALS. Contracting for and nominating service to and from the designated point(s) shall be the Shipper's sole responsibility.
- 2.2 Under this Rate Schedule PALS, Transporter shall only park Gas or loan Gas to the extent Transporter determines that such actions are not detrimental to its ability to satisfy any of its existing obligations with higher priority service or to meet System operational needs. Transporter may, based on its reasonable determination of its operational capability and in a non-discriminatory manner, interrupt or decline to schedule any or all of the services hereunder and, if such actions are required to avoid interference with Firm Service or to protect the integrity of the System, will do so prior to invoking the procedures of Section 33, Operational Parameters, of the General Terms and Conditions of this Tariff and subject to Section 8 of this PALS Rate Schedule.

- 2.3 All mutually agreeable points of receipt and delivery on Transporter's System are available on a non-discriminatory basis for service under this Rate Schedule PALS. Unless an alternative point is agreed upon by Transporter and the Shipper, the same point must be utilized to initiate and to complete a specific park and loan transaction. If an alternative point is agreed upon, Shipper must pay for transportation service between the agreed-upon receipt and Delivery Points. The specific point(s) for a park or loan shall be set forth in the applicable PALS RO.
- 2.4 Subject to the provisions of Section 2.2 above, Park and Loan Services available under this Rate Schedule PALS include:
- A. Park Service shall consist of Transporter's receipt of a quantity of Natural Gas at the designated Park Point on the designated date(s), requested by Shipper under a PALS RO and approved by Transporter; Transporter's holding of such parked quantity of Gas for Shipper's account and Transporter's redelivery of the parked quantity of Gas to Shipper at the designated Park Point and on the designated date(s) set forth in such PALS RO; and
 - B. Loan Service shall consist of Transporter lending a specified quantity of Natural Gas, requested by Shipper and approved by Transporter, from designated Loan Point set forth in Shipper's PALS RO, and the Shipper's redelivery of and Transporter's acceptance of such quantities for Shipper's account at the designated Loan Point on the designated date(s) set forth in such PALS RO.
- 2.5 Transporter will post on its Interactive Web Site the availability of PALS from time-to-time.

3. RATES

- 3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule PALS. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.
- 3.2 Base Monthly Charges. Each Month, under this Rate Schedule PALS, Shipper shall be assessed charges consisting of:
- A. an Initial Charge which shall be the product of the Initial Rate and each unit of Gas tendered for park or taken for loan during that Month;
 - B. a Park/Loan Balance Charge which shall be the product of the Park/Loan Balance Rate and each unit of Gas which is parked or loaned under this Rate Schedule PALS for that Month (such charge shall be calculated on the basis of the daily ending balance for each PALS RO for each Day of the Month);

- C. a Completion Charge which shall be the product of the Completion Rate and each unit of Gas returned to Transporter on completion (payback) of a loan or received by Shipper on completion (reversal) of a park that Month;
- D. The maximum and minimum rate(s) applicable to this Rate Schedule PALS are set forth in the Currently Effective Rates Section of this Tariff. On any Day, the sum of the Initial Rate, the Park/Loan Balance Rate and the Completion Rate assessed for any park or loan may not exceed the maximum PALS Initial Rate on a per unit basis;
 - 1. By mutual Agreement between Transporter and Shipper, which is consistent with the pro forma Agreement set out in this Tariff, Discounted or Negotiated Rates may be limited to specific quantities and/or specific periods.
 - 2. If a Shipper has submitted a Nomination for a payback on a loan or a withdrawal on a park, and that Nomination is consistent with the PALS RO but is not confirmed by Transporter, the Park/Loan Balance Rate shall only be assessed as if the Nomination had been confirmed.
- E. Shipper shall pay any other applicable charges, penalties and fees set out in this Rate Schedule PALS or the General Terms and Conditions of this Tariff;
- F. Charges payable by any Shipper shall be based on the Recourse Rates set forth in this Tariff applicable to Rate Schedule PALS, which rates are hereby incorporated herein, unless a lower rate for such charges is specified in the PALS RO. However, where a Shipper has agreed to pay a Discounted Rate or a Negotiated Rate, the rates assessed hereunder shall be governed by Sections 30 and 31 of the General Terms and Conditions of this Tariff. A request for service at a Negotiated Rate or a rate under a Negotiated Rate Formula shall specify the Negotiated Rate or Negotiated Rate Formula on which the Shipper is willing to agree; and
- G. The charges referenced herein cover only Park and Loan Services. Shipper must contract separately for any transportation service required for Shipper to move Gas to or away from the point(s) specified in the PALS RO.

3.3 Other Charges

- A. Authorized Daily Overrun Charge. Authorized overrun charges apply if a Shipper nominates and Transporter confirms quantities in excess of the approved Maximum Aggregate Quantity ("MAQ") and/or Maximum Daily Quantity ("MDQ") in the PALS Agreement, or if Shipper fails to comply with any quantity or timing parameter in a PALS RO (unless the failure results from Transporter not

confirming a Nomination properly submitted). Authorized overrun charges will be assessed at the maximum PALS rate, unless otherwise agreed to in writing by Transporter.

- B. **Unauthorized Overrun Charge.** For any service under this Rate Schedule which is not authorized by Transporter, including any receipt or delivery of Unauthorized Overrun Gas ("Unauthorized Overrun Service"), Transporter shall have authority to charge and may charge Shipper, in addition to the Authorized Overrun Charge and any other applicable charges or penalties pursuant to Section 33 in the General Terms and Conditions of this Tariff, an Unauthorized Overrun Charge. Such Unauthorized Overrun Charge shall include the amount of Unauthorized Overrun Service in Dth multiplied by the Unauthorized Overrun Charge as set forth in the Currently Effective Rates in this Tariff applicable to this Rate Schedule. Any Unauthorized Overrun Charge billed and collected by Transporter shall be refunded, net of cost, to Shippers, pursuant to the General Terms and Conditions of this Tariff.
- C. **Monthly Cashout and Imbalance Charges.** Deviations from the approved PALS RO nominated quantities when compared to the allocated quantities may be assessed cashout charges pursuant to Section 12 of the General Terms and Conditions of this Tariff.
- D. **Filing Fees.** Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees).
- E. **Third party charges at cost,** applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff.
- F. **Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.**

3.4 All revenues and Gas in kind collected by Transporter as a result of providing service under this Rate Schedule PALS shall be retained by Transporter unless Transporter has otherwise explicitly agreed writing on a different disposition of such amounts. Where crediting or refund mechanisms apply under other provision(s) of this Tariff or pursuant to effective FERC orders or settlements, such mechanisms shall supersede this Section to the extent necessary to carry out such provision(s).

4. NOMINATIONS AND SCHEDULING

- 4.1 It shall be Shipper's sole responsibility to provide Transporter with daily Nominations of the quantity of Gas to be received or delivered at the Receipt or Delivery point(s) under the applicable PALS RO. Nominations for any Day or for any Nomination cycle must be consistent with the PALS RO. It shall also be Shipper's responsibility to cause Gas to be delivered to Transporter and to cause Gas to be received from Transporter in accordance with the PALS RO. Nominations shall be subject to confirmation and scheduling in accordance with the General Terms and Conditions of this Tariff. If a Nomination for a park, loan, payback on a loan, or withdrawal on a park is consistent with the PALS RO but cannot be confirmed by Transporter, the Shipper must continue to nominate on subsequent days until Transporter can confirm the Nomination, unless the parties agree on a revised PALS RO. Service under Rate Schedule PALS is provided on an interruptible basis.
- 4.2 Priorities of service for the purposes of Scheduling and Curtailment shall be governed by Section 4 of the General Terms and Conditions of this Tariff.
- 4.3 In the event it is necessary to decline to schedule or to interrupt, curtail or suspend service under PALS because of operational conditions or to satisfy obligations with a higher priority, Transporter shall provide notice to Shipper. In that event, Shipper must comply with the directive(s) contained in Transporter's notification within the time specified.
- 4.4 If Shipper fails to comply with the requirements set out in a notification under Section 4.3 above, then Section 8 of this Rate Schedule PALS shall apply.

5. PALS REQUEST ORDER

For a PALS RO to be valid, the Shipper requesting service shall include in writing the information specified in Transporter's current PALS Request Order Form, as may be revised from time-to-time, and which is available on Transporter's Interactive Website. A PALS RO shall include information required to provide service under this Rate Schedule and any other information required by the Tariff. A PALS RO shall also include any additional information that may be required by the Commission.

6. TERM

- 6.1 The term of service hereunder shall be set forth in the PALS Agreement between Shipper and Transporter. The PALS RO shall have a separately stated term or terms applicable to a particular transaction, which term may not extend beyond the term of the related PALS Agreement; provided, however, that both the PALS Agreement and related PALS RO(s) shall include a buyout provision, permitting early termination by Shipper or Transporter subject to a mutually agreed upon exit fee. Upon termination of any PALS Agreement and of any PALS RO, service by Transporter to Shipper thereunder shall be terminated and automatically abandoned.

- 6.2 Transporter may terminate any PALS Agreement if Transporter is required by the FERC or some other regulatory agency or court to provide service for others utilizing the interruptible System Capacity or capabilities required for service under such PALS Agreement, or if Transporter ceases (after receipt of any requisite regulatory authorization) to offer service of the type covered by the PALS Agreement. Settlement of such terminated Agreement shall be pursuant to Section 8.4 herein.

7. QUANTITY

- 7.1 Each PALS RO shall specify in Dth the MAQ RO and a daily schedule of the quantities (including the MDQ RO) to be parked and/or loaned under the specific transaction. The daily schedule of returned quantities by the Shipper or Transporter shall also be specified in the PALS RO. The quantities may be specified as a range of quantities (maximum and minimum aggregate and daily quantities and the related time periods) to be parked and/or loaned and returned, and the schedule may include the flexibility to do either a park or a loan within specified quantity and time limits. The schedule may provide for flexibility in total quantities and in the daily quantities parked and/or loaned, in the timing of the park or the loan (or any portion thereof), in the duration of the park and/or loan (or portion thereof), and/or in the timing of the completion of the park or loan (or portion thereof) by the return of Gas to the Shipper or to Transporter, and shall specify the limits of the flexibility allowed. Subject to the flexibility specified in the PALS RO, the MDQ RO shall be the maximum quantity Transporter is obligated, on an interruptible basis, to receive from or deliver to Shipper hereunder on the specified Day. The MAQ RO shall be the maximum aggregate quantity Transporter is obligated to hold or loan for the account of Shipper hereunder on an interruptible basis for the specific transaction covered by the PALS RO. The minimum aggregate and daily quantities to be parked and/or loaned and returned on an interruptible basis shall also be specified in the PALS RO schedule. The sum total of a Shipper's MAQ ROs and MDQ ROs shall not exceed the MAQ and MDQ specified in the PALS Agreement. If a Shipper exceeds the timing parameter in the applicable PALS RO (unless such failure is due to Transporter not confirming a Nomination properly submitted), it shall be subject to overrun charges consistent with Section 3.3 of this Rate Schedule.

8. MANDATORY BALANCING

- 8.1 Mandatory Balancing shall apply in the following instances: (a) at the end of the term specified in any applicable PALS Agreement or PALS RO; (b) where the Shipper fails to comply either with the requirements of Transporter's notice referenced in Sections 4 and 8 hereof; or (c) where Shipper fails to comply with the schedule of activities set forth in the applicable PALS RO and the deviation has not been agreed to and confirmed by Transporter.
- 8.2 Transporter may require Mandatory Balancing effective the next Day prior to issuing Operational Flow Orders pursuant to the notice provisions of Section 33 of the General Terms and Conditions of this Tariff, if Transporter reasonably determines that doing so

would facilitate System operations and minimize the frequency and severity of Operational Flow Orders in the affected region(s).

- 8.3 A. In the event that Transporter notifies a PALS Shipper under Section 4 or Section 8 hereof, such notice shall specify the parked balance to be removed or the loaned balance to be returned, up to the full MAQ, and the timeframe within which the balance must be effectuated, but the specified timeframe shall not be less than three (3) days (in one-third daily increments) from the date of notification. Transporter may allow additional time for contract balancing when operational conditions warrant. Notification may first be provided by telephone, facsimile, by e-mail or in writing. General notices will be posted on Transporter's Interactive Web Site. In instances when notification is required during times other than normal business hours, Transporter will provide such notification by telephone. To the extent Shipper fails to comply with such notice, the PALS RO shall terminate and the provisions of Section 8.4 shall apply.
- B. In the event that a Shipper fails to comply with the schedule of activities set forth in the applicable PALS RO, Transporter shall notify Shipper, and the PALS RO shall be subject to termination in accordance with the terms of such notice. The provisions of Sections 8.5A. and 8.5B. shall then apply.
- 8.4 A. In the event that Shipper still has Gas parked at the end of the term of the PALS RO, Transporter will notify Shipper according to Section 8.3 above. If Shipper fails to comply with the notice pursuant to Sections 4 and 8.3 above, the remaining balance shall be forfeited to Transporter, free and clear of any adverse claims.
- B. Conversely, if the Shipper has not redelivered Gas which was loaned by Transporter by the end of its contract term or within the timeframe specified in the notice in Sections 4 and 8 above, the Shipper must purchase the unreturned balance at 150% of the highest Weekly Index Prices (WIPs) of the "Weekly Gas Price Index; Cash Market Prices", for the NGPL Midcontinent average or the Cheyenne Hub average as published in "Natural Gas Intelligence" during the term of the loan. In the event "Natural Gas Intelligence" becomes unavailable, Transporter shall request authorization from the Commission to substitute another publication and, shall substitute information posted in the approved publication for similar indices. The amounts collected in excess of 100% of the highest Weekly or Monthly Index Price, as applicable, are subject to refund in accordance with Section 34 of the General Terms and Conditions of this Tariff. If Operational Flow Orders are in effect on the date Shipper is required to comply with the notice, Shipper shall be subject to the highest charges set forth in Section 33 of the General Terms and Conditions of this Tariff.
- C. The Tariff provisions of Sections 8.5 above will be implemented by Transporter on a non-discriminatory basis.

- 8.5 A. In circumstances where Shipper is unable to eliminate its PALS RO balance because Transporter is unable to accept the PALS RO Nomination, Shipper shall take any action to reduce the balance which Transporter can accommodate and Shipper shall be granted additional time to eliminate its PALS RO balance corresponding to the time Transporter was unable to accept the PALS RO Nomination. Shipper shall not incur any penalty or daily fees as to that portion of the balance resulting from Transporter's inability to accept the PALS RO Nomination. Such extension shall only apply in instances where a Shipper's inability to eliminate the PALS RO balance is attributable to Transporter's inability to accept and confirm PALS RO Nominations. Shipper remains responsible to nominate the appropriate level of transportation to meet Transporter's notification requirements.
- B. To the extent Shipper's allocated and delivered quantity is more or less than the nominated and confirmed quantity, Transporter shall notify Shipper no later than ten (10) Business Days after the end of the Month following the end date of the PALS RO. Shipper shall be afforded three (3) Business Days after the notice to make up the quantity deficiency either through removal or by providing Gas in kind, without penalty or daily fees. Unless otherwise agreed to by Transporter, any quantity not removed or repaid in kind will be subject to the provisions of Section 8.5, as applicable.

9. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

10. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

RATE SCHEDULE S-PALS STORAGE PARK AND LOAN SERVICE

1. AVAILABILITY

This Rate Schedule S-PALS is available to any entity (hereinafter called Shipper) which: (a) submits to Transporter a valid request, pursuant to Section 2 of the General Terms and Conditions of this Tariff, and after review and acceptance of such request by Transporter (b) has executed a S-PALS Service Agreement which remains valid and in force and (c) enters into one or more valid S-PALS Request Orders ("S-PALS RO"), as defined in Section 5 hereof which, when executed by Transporter and Shipper, shall evidence their agreement as to the terms of the particular transaction(s) to park and loan Gas pursuant to the S-PALS Service Agreement. The form of S-PALS Request Order is contained in this Tariff. Shipper shall arrange separately with Transporter and others as necessary for any transportation attendant to the S-PALS service provided hereunder, i.e., in delivering Gas to or taking Gas away from the designated point(s), and Shipper shall pay separately for such transportation service. Shipper shall provide Transporter with reasonable assurances that Shipper can satisfactorily perform under an applicable S-PALS RO.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 To implement a specific storage park and/or loan transaction, Transporter and the Shipper with an S-PALS Service Agreement in effect shall enter into an S-PALS RO. This Rate Schedule S-PALS shall apply to all S-PALS services which are rendered by Transporter pursuant to an executed S-PALS Agreement and related S-PALS RO. Under Rate Schedule S-PALS, a Shipper may nominate a quantity of Gas at Gas Storage Facility on Transporter's System, to be held or loaned by Transporter for a specified period defined in the S-PALS RO. It is understood that Transporter is providing the S-PALS service hereunder as an interruptible service through the use of its storage facilities and storage Gas; Transporter is not providing a Gas supply service under this Rate Schedule S-PALS, nor is Transporter providing an attendant Firm or interruptible storage or transportation service to or from the S-PALS point. Contracting for and nominating service to and from the designated point(s) shall be the Shipper's sole responsibility.

2.2 Under this Rate Schedule S-PALS, Transporter shall only park Gas or loan Gas to the extent Transporter determines that such actions are not detrimental to its ability to satisfy any of its existing obligations with higher priority service or to meet System operational needs. Transporter may, based on its reasonable determination of its operational capability and in a non-discriminatory manner, interrupt or decline to schedule any or all of the services hereunder and, if such actions are required to avoid interference with Firm Service or to protect the integrity of the System, will do so prior to invoking the procedures of Section 33, Operational Parameters, of the General Terms and Conditions of this Tariff and subject to Section 8 of this S-PALS Rate Schedule.

- 2.3 Huntsman PIN 994000 is the only point of receipt and delivery on Transporter's System available for service under this Rate Schedule S-PALS (Designated Point). Unless an alternative point is agreed upon by Transporter and the Shipper, the same point must be utilized to initiate and to complete a specific park and loan transaction. If an alternative point is agreed upon, Shipper must pay for transportation service between the agreed-upon receipt and Delivery Points. The specific point(s) for a park or loan shall be set forth in the applicable S-PALS RO.
- 2.4 Subject to the provisions of Section 2.2 above, Storage Park and Loan Services available under this Rate Schedule S-PALS include:
- A. Park Service shall consist of Transporter's receipt of a quantity of Natural Gas at the Designated Point on the designated date(s), requested by Shipper under an S-PALS RO and approved by Transporter; Transporter's holding of such parked quantity of Gas for Shipper's account and Transporter's redelivery of the parked quantity of Gas to Shipper at the Designated Point and on the designated date(s) set forth in such S-PALS RO; and
 - B. Loan Service shall consist of Transporter lending a specified quantity of Natural Gas, requested by Shipper and approved by Transporter, from Designated Point set forth in Shipper's S-PALS RO, and the Shipper's redelivery of and Transporter's acceptance of such quantities for Shipper's account at the Designated Point on the designated date(s) set forth in such S-PALS RO.
- 2.5 Transporter will post on its Interactive Web Site the availability of S-PALS.
- 2.6 Upon expiration of the S-PALS Agreement, any Gas remaining in storage inventory will be treated and billed as if it were an ISS Agreement. Any Gas remaining in ISS inventory sixty (60) Days after expiration of the S-PALS Agreement will be confiscated by Transporter. The quantity of Gas confiscated by Transporter pursuant to this Section will be cashed out at 50% of the production month cashout index and billed to the applicable S-PALS Shipper. Short balances remaining sixty (60) Days after expiration of the S-PALS Agreement will be cashed out at 150% of the production month cashout index and billed to the applicable S-PALS Shipper.

3. RATES

- 3.1 The Currently Effective Rates set forth in this Tariff, as revised from time-to-time, including any surcharges, shall apply to service under this Rate Schedule S-PALS. Unless otherwise agreed in writing between Transporter and Shipper under Section 30 of the General Terms and Conditions of this Tariff, the applicable rate shall not be in excess of the Recourse Rate nor less than the minimum rate.
- 3.2 Base Monthly Charges. Each Month under this Rate Schedule S-PALS, Shipper shall be assessed charges consisting of:

- A. an Initial Charge which shall be the product of the Initial Rate and each unit of Gas tendered for park or taken for loan during that Month;
- B. a Park/Loan Balance Charge which shall be the product of the Park/Loan Balance Rate and each unit of Gas which is parked or loaned under this Rate Schedule S-PALS for that Month (such charge shall be calculated on the basis of the daily ending balance for each S-PALS RO for each Day of the Month);
- C. a Completion Charge which shall be the product of the Completion Rate and each Dth of Gas returned to Transporter on completion (payback) of a loan or received by Shipper on completion (reversal) of a park that Month; and
- D. FL&U and Electric Power Cost Reimbursement, tendered by Shipper to Transporter based on the initial parked or loaned Gas quantities as set forth in Section 39 and Section 40 of the General Terms and Conditions of this Tariff and on the Currently Effective Rates – FL&U and Electric Power Cost Reimbursement of this Tariff;
- E. the maximum and minimum rate(s) applicable to this Rate Schedule S-PALS are set forth in the Currently Effective Rates Section of this Tariff. Excluding Fuel and loss, on any Day, the sum of the Initial Rate, the Park/Loan Balance Rate and the Completion Rate assessed for any park or loan may not exceed the maximum S-PALS Initial Rate on a per unit basis. On any Day, the Initial Rate, the Park/Loan Balance Rate and the Completion Rate assessed for any park and loan may not be less than the minimum applicable S-PALS Rate.
 - 1. By mutual agreement between Transporter and Shipper, which is consistent with the pro forma Agreement set out in this Tariff, Discounted or Negotiated Rates may be limited to specific quantities and/or specific periods.
 - 2. If a Shipper has submitted a Nomination for a payback on a loan or a withdrawal on a park, and that Nomination is consistent with the S-PALS RO but is not confirmed by Transporter, the Park/Loan Balance Rate shall only be assessed as if the Nomination had been confirmed;
- F. Shipper shall pay any other applicable charges, penalties and fees set out in this Rate Schedule S-PALS or the General Terms and Conditions of this Tariff;
- G. charges payable by any Shipper shall be based on the Recourse Rates set forth in this Tariff applicable to Rate Schedule S-PALS, which rates are hereby incorporated herein, unless a lower rate for the charge is specified in the S-PALS RO. However, where a Shipper has agreed to pay a Negotiated Rate or a Discounted Rate, the rates assessed hereunder shall be governed by Section 30

and 31 of the General Terms and Conditions of this Tariff. A request for service at a Negotiated Rate or a rate under a Negotiated Rate Formula shall specify the Negotiated Rate or Negotiated Rate Formula on which the Shipper is willing to agree; and

- H. the charges referenced herein cover only Storage Park and Loan Services. Shipper must contract separately for any transportation service required for Shipper to move Gas to or away from the point(s) specified in the S-PALS RO.

3.3 Other Charges

- A. Authorized Daily Overrun Charge. Authorized overrun charges apply if a Shipper nominates and Transporter confirms quantities in excess of the approved MAQ and/or MDQ in the S-PALS Agreement, or if Shipper fails to comply with any quantity or timing parameter in an S-PALS RO (unless the failure results from Transporter not confirming a Nomination properly submitted). Authorized overrun charges will be assessed at the maximum S-PALS rate, unless otherwise agreed to in writing by Transporter.
- B. Unauthorized Overrun Charge. For any service under this Rate Schedule which is not authorized by Transporter, including any receipt or delivery of Unauthorized Overrun Gas ("Unauthorized Overrun Service"), Transporter shall have authority to charge and may charge Shipper, in addition to the Authorized Overrun Charge and any other applicable charges or penalties pursuant to Section 33 in the General Terms and Conditions of this Tariff, an Unauthorized Overrun Charge. Such Unauthorized Overrun Charge shall include the amount of Unauthorized Overrun Service in Dth multiplied by the Unauthorized Overrun Charge as set forth in the Currently Effective Rates in this Tariff applicable to this Rate Schedule. Any Unauthorized Overrun Charge billed and collected by Transporter shall be refunded, net of cost, to Shippers, pursuant to the General Terms and Conditions of this Tariff.
- C. Monthly Cashout and Imbalance Charges. Deviations from the approved S-PALS RO nominated quantities when compared to the allocated quantities may be assessed cashout charges pursuant to Section 12 of the General Terms and Conditions of this Tariff.
- D. Filing Fees. Shipper shall reimburse Transporter within ten (10) Days after receiving an invoice from Transporter for all fees incurred by Transporter which are required by the Commission or any regulatory body including, but not limited to, filing, reporting, and application fees to the extent such fees are specifically related to service for that Shipper hereunder and are not generally applicable fees (such as general rate case filing fees).

- E. Third party charges at cost, applicable to service specifically requested by Shipper consistent with Section 12.6 of the General Terms and Conditions of this Tariff.
 - F. Such other charges as may be authorized by the Commission from time-to-time for inclusion herein.
- 3.4 All revenues and Gas in kind collected by Transporter as a result of providing service under this Rate Schedule S-PALS shall be retained by Transporter unless Transporter has otherwise explicitly agreed in writing on a different disposition of such amounts. Where crediting or refund mechanisms apply under other provision(s) of this Tariff or pursuant to effective FERC orders or settlements, such mechanisms shall supersede this Section to the extent necessary to carry out such provision(s).

4. NOMINATIONS AND SCHEDULING

- 4.1 It shall be Shipper's sole responsibility to provide Transporter with daily Nominations of the quantity of Gas to be received or delivered at the Receipt or Delivery point(s) under the applicable S-PALS RO. Nominations for any Day or for any Nomination cycle must be consistent with the S-PALS RO. It shall also be Shipper's responsibility to cause Gas to be delivered to Transporter and to cause Gas to be received from Transporter in accordance with the S-PALS RO. Nominations shall be subject to confirmation and scheduling in accordance with the General Terms and Conditions of this Tariff. If a Nomination for payback on a loan or withdrawal on a park is consistent with the S-PALS RO but cannot be confirmed by Transporter, the Shipper must continue to nominate on subsequent days until Transporter can confirm the Nomination, unless the parties agree on a revised S-PALS RO. Service under Rate Schedule S-PALS is provided on an interruptible basis.
- 4.2 Priorities of service for the purposes of scheduling and Curtailment shall be governed by Section 4 of the General Terms and Conditions of this Tariff.
- 4.3 In the event it is necessary to decline to schedule or to interrupt, curtail or suspend service under S-PALS because of operational conditions or to satisfy obligations with a higher priority, Transporter shall provide notice to Shipper. In that event, Shipper must comply with the directive(s) contained in Transporter's notification within the time specified.
- 4.4 If Shipper fails to comply with the requirements set out in a notification under Section 4.3 above, then Section 8 of this Rate Schedule S-PALS shall apply.

5. S-PALS REQUEST ORDER

For a S-PALS RO to be valid, the Shipper requesting service shall include in writing the information specified in Transporter's current S-PALS Request Order Form, as may be revised

from time-to-time, and which is available on Transporter's Interactive Website. A S-PALS RO shall include information required to provide service under this Rate Schedule and any other information required by the Tariff. A S-PALS RO shall also include any additional information that may be required by the Commission.

6. TERM

- 6.1 The term of service hereunder shall be set forth in the S-PALS Agreement between Shipper and Transporter. The S-PALS RO shall have a separately stated term or terms applicable to a particular transaction, which term may not extend beyond the term of the related S-PALS Agreement; provided, however, that both the S-PALS Agreement and related S-PALS RO(s) may include a buyout provision, permitting early termination by Shipper or Transporter subject to a mutually agreed upon exit fee. Upon termination of any S-PALS Agreement and of any S-PALS RO, service by Transporter to Shipper thereunder shall be terminated and automatically abandoned.
- 6.2 Transporter may terminate any S-PALS Agreement if Transporter is required by the FERC or some other regulatory agency or court to provide service for others utilizing the interruptible capacity or capabilities required for service under such S-PALS Agreement, or if Transporter ceases (after receipt of any requisite regulatory authorization) to offer service of the type covered by the S-PALS Agreement. Settlement of such terminated Agreement shall be pursuant to Section 8.4 of this Rate Schedule.

7. QUANTITY

- 7.1 Each S-PALS RO shall specify in Dth the MAQ RO and a daily schedule of the quantities (including the MDQ RO) to be parked and/or loaned under the specific transaction. The daily schedule of returned quantities by the Shipper or Transporter shall also be specified in the S-PALS RO. The quantities may be specified as a range of quantities (maximum and minimum aggregate and daily quantities and the related time periods) to be parked and/or loaned and returned, and the schedule may include the flexibility to do either a park or a loan within specified quantity and time limits. The schedule may provide for flexibility in total quantities and in the daily quantities parked and/or loaned, in the timing of the park or the loan (or any portion thereof), in the duration of the park and/or loan (or portion thereof), and/or in the timing of the completion of the park or loan (or portion thereof) by the return of Gas to the Shipper or to Transporter, and shall specify the limits of the flexibility allowed. Subject to the flexibility specified in the S-PALS RO, the MDQ RO shall be the maximum quantity Transporter is obligated, on an interruptible basis, to receive from or deliver to Shipper hereunder on the specified Day. The MAQ RO shall be the maximum aggregate quantity Transporter is obligated to hold or loan for the account of Shipper hereunder on an interruptible basis for the specific transaction covered by the S-PALS RO. The minimum aggregate and daily quantities to be parked and/or loaned and returned on an interruptible basis shall also be specified in the S-PALS RO schedule. The sum total of a Shipper's MAQ ROs and MDQ ROs shall not exceed the MAQ and MDQ specified in the S-PALS Agreement. If a Shipper exceeds the timing parameter in the

applicable S-PALS RO (unless such failure is due to Transporter not confirming a Nomination properly submitted), it shall be subject to overrun charges consistent with Section 3.3 of this Rate Schedule.

8. MANDATORY BALANCING

- 8.1 Mandatory Balancing shall apply in the following instances: (a) at the end of the term specified in any applicable S-PALS Agreement or S-PALS RO; (b) where the Shipper fails to comply either with the requirements of Transporter's notice referenced in Sections 4 and 8 hereof; or (c) where Shipper fails to comply with the schedule of activities set forth in the applicable S-PALS RO and the deviation has not been agreed to and confirmed by Transporter.
- 8.2 Transporter may require Mandatory Balancing effective the next Day prior to issuing Operational Flow Orders pursuant to the notice provisions of Section 33 of the General Terms and Conditions of this Tariff, if Transporter reasonably determines that doing so would facilitate System operations and minimize the frequency and severity of Operational Flow Orders in the affected region(s).
- 8.3 A. In the event that Transporter notifies an S-PALS Shipper under Section 4 or Section 8 hereof, such notice shall specify the parked balance to be removed or the loaned balance to be returned, up to the full MAQ, and the timeframe within which the balance must be effectuated, but the specified timeframe shall not be less than three (3) days (in one-third daily increments) from the date of notification. Transporter may allow additional time for contract balancing when operational conditions permit. Notification shall first be provided by telephone and then by facsimile, by e-mail or in writing. General notices will be posted on Transporter's Interactive Web Site. In instances when notification is required during times other than normal business hours, Transporter will provide such notification by telephone. To the extent Shipper fails to comply with such notice, the S-PALS RO shall terminate and the provisions of Section 8.4 shall apply.
- B. In the event that a Shipper fails to comply with the schedule of activities set forth in the applicable S-PALS RO, Transporter shall notify Shipper as provided above in Section 8.3, and the S-PALS RO shall be subject to termination in accordance with the terms of such notice. The provisions of Sections 8.5A. and 8.5B. shall then apply.
- 8.4 A. In the event that Shipper still has Gas parked at the end of the term of the S-PALS RO, Transporter will notify Shipper according to Section 8.3 above. If Shipper fails to comply with the notice pursuant to Sections 4 and 8.3 above, the remaining balance shall be forfeited to Transporter, free and clear of any adverse claims. The realized value, net of applicable costs, of such forfeited Gas is subject to refund in accordance with Section 34 of the General Terms and Conditions of this Tariff. For each Day during the period between the end of the

contract term and either the removal by Shipper of the remaining balance or the forfeiture of Gas to Transporter, Shipper shall pay Transporter the maximum applicable S-PALS balance rate pursuant to this Tariff, unless such other applicable balance rate is agreed to in the S-PALS Agreement.

- B. Conversely, if the Shipper has not redelivered Gas which was loaned by Transporter by the end of the term of the S-PALS RO or within the timeframe specified in the notice in Sections 4 and 8.3 above, the Shipper must purchase the unreturned balance at 150% of the highest Weekly Index Prices (WIPs) of the "Weekly Gas Price Index; Cash Market Price", for the NGPL Midcontinent average or the Cheyenne Hub average, whichever is higher, as published in "Natural Gas Intelligence" during the term of the loan. In the event "Natural Gas Intelligence" becomes unavailable, Transporter shall request authorization from the Commission to substitute another publication and, shall substitute information posted in the approved publication for similar indices. The amounts collected in excess of 100% of the highest Daily or Weekly Index Price, as applicable, and net of related costs, are subject to refund to Shippers in accordance with Section 34 of the General Terms and Conditions of this Tariff. If Operational Flow Orders are in effect on the date Shipper is required to comply with the notice, Shipper shall be subject to the highest applicable charges set forth in Section 33 of the General Terms and Conditions of this Tariff.
 - C. The Tariff provisions of Sections 8.5 above will be implemented by Transporter on a non-discriminatory basis.
- 8.5
- A. In circumstances where Shipper is unable to eliminate its S-PALS RO balance because Transporter is unable to accept the S-PALS RO Nomination, Shipper shall take any action to reduce the balance which Transporter can accommodate and Shipper shall be granted additional time to eliminate its S-PALS RO balance corresponding to the time Transporter was unable to accept the S-PALS RO Nomination. Shipper shall not incur any penalty or daily fees as to that portion of the balance resulting from Transporter's inability to accept the S-PALS RO Nomination. Such extension shall only apply in instances where a Shipper's inability to eliminate the S-PALS RO balance is attributable to Transporter's inability to accept and confirm S-PALS RO Nominations. Shipper remains responsible to nominate the appropriate level of transportation to meet Transporter's notification requirements.
 - B. To the extent Shipper's allocated and delivered quantity is more or less than the nominated and confirmed quantity, Transporter shall notify Shipper no later than ten (10) Business Days after the end of the Month following the end date of the S-PALS RO. Shipper shall be afforded three (3) Business Days after the notice to make up the quantity deficiency either through removal or by providing Gas in kind, without penalty or daily fees. Unless otherwise agreed to by Transporter,

any quantity not removed or repaid in kind will be subject to the provisions of Section 8.5, as applicable.

9. TARIFF CHANGES

Pursuant to Section 17 of the General Terms and Conditions of this Tariff.

10. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

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