

# RATE SCHEDULE FTS

SERVICE AGREEMENT

Contract No.

TRAILBLAZER PIPELINE COMPANY LLC (TRAILBLAZER)

TRANSPORTATION RATE SCHEDULE FTS

AGREEMENT DATED \_\_\_\_\_

UNDER SUBPART \_\_\_\_\_ OF PART 284

OF THE FERC'S REGULATIONS

1. SHIPPER is: \_\_\_\_\_\_, a \_\_\_\_\_\_,

2. MDQ totals: \_\_\_\_\_ Dth per day.

TERM: \_\_\_\_\_\_ through \_\_\_\_\_\_
 [Specify contractual rollover or evergreen rights, if any, per Section 18.3 of the General Terms and Conditions of Trailblazer's FERC Gas Tariff.]\_\_\_\_\_\_

4. Service will be ON BEHALF OF:

\_\_\_\_\_ Shipper or

- \_\_\_\_\_\_ Other: \_\_\_\_\_\_\_, a \_\_\_\_\_\_, a \_\_\_\_\_\_
- 5. The ULTIMATE END USERS are (check one):

\_\_\_\_\_ customers of the following LDC/pipeline company(ies): \_\_\_\_\_\_;

\_\_\_\_\_ customers in these states: \_\_\_\_\_\_ or ,

- \_\_\_\_\_ customers within any state in the continental U.S.
- 6. \_\_\_\_\_ This Agreement supersedes and cancels a \_\_\_\_\_\_ Agreement dated \_\_\_\_\_\_

\_\_\_\_\_ Capacity rights for this Agreement were released from \_\_\_\_\_\_

- \_\_\_\_\_ [for firm service only] Service and reservation charges commence the later of:
- \_\_\_\_\_(a) \_\_\_\_\_\_
  - and

\_\_\_\_\_ (b) the date capacity to provide the service hereunder is available on Trailblazer's System.



7. SHIPPER'S ADDRESSES

#### TRAILBLAZER'S ADDRESSES

- 8. Any or all of the following provisions may be included (where applicable) in maximum rate agreements or in negotiated rate or discount contracts, if any:
  - a. (DISCOUNTED RATE AGREEMENTS ONLY) Applicable Maximum and Minimum Rates. Notwithstanding any other provision of this Agreement, in no event shall a discounted rate billed by Trailblazer be less than the applicable minimum rate or more than the applicable maximum rate set forth in Trailblazer's FERC Gas Tariff, as may be revised from time to time.
  - b. (NEGOTIATED RATE AGREEMENTS ONLY) Maximum and Minimum Tariff Rates. Unless otherwise expressly provided in this Agreement, the negotiated rates shall apply to service provided by Trailblazer to Shipper for the term of the Agreement notwithstanding any otherwise applicable maximum or minimum rates set forth in Trailblazer's FERC Gas Tariff as revised from time to time.
  - c. (DISCOUNTED RATE AGREEMENTS ONLY) Refunds. In no event shall Trailblazer be required to refund to Shipper any amounts collected for service to which the discounted rate(s) apply, unless the relevant discounted rate billed to Shipper exceeds the corresponding applicable effective maximum rates set forth in Trailblazer's FERC Gas Tariff, as approved by the FERC from time to time.
  - d. (NEGOTIATED RATE AGREEMENTS ONLY) Refunds. In no event shall Trailblazer be required to refund to Shipper any amounts collected for service to which the negotiated rates apply, notwithstanding any otherwise applicable maximum or minimum rate set forth in Trailblazer's FERC Gas Tariff, as may be revised from time to time.
  - e. Notifications. Except as otherwise may be expressly provided herein, any notice or communication contemplated or required by this Agreement shall be in writing unless oral notification is expressly authorized herein, and shall be sent to the appropriate party at the relevant address set forth in this Agreement, as may be revised from time to time.



- f. Non-waiver of Rights. No delay or failure to exercise any right or remedy accruing to either Trailblazer or Shipper upon breach or default by the other will impair any right or remedy or be construed to be a waiver of any such breach or default, nor will a waiver of any single breach be deemed a waiver of any other breach or default.
- g. Succession and Assignment. Any entity which shall succeed by purchase, merger or consolidation to title to the properties, substantially as an entirety, of Trailblazer or Shipper as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. No other assignment of this Agreement nor of any of the individual rights or obligations hereunder by Shipper shall be effective as to Trailblazer without the prior express written consent of Trailblazer.
- h. No Third Party Beneficiaries. This Agreement shall not create any rights in any third parties, and no provision of this Agreement shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than Trailblazer or Shipper.
- i. Conformance to Law. It is understood that performance hereunder shall be subject to all valid laws, orders, rules and regulations of duly constituted governmental authorities having jurisdiction or control of the matters related hereto, including without limitation the Federal Energy Regulatory Commission.
- j. Effect of Tariff. This Agreement shall at all times be subject to all applicable provisions of Trailblazer's FERC Gas Tariff.
- k. GOVERNING LAW. THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF \_\_\_\_\_\_, EXCLUDING ANY CONFLICT OF LAW RULE WHICH WOULD REFER ANY MATTER TO THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF \_\_\_\_\_\_.
- I. Entire Agreement. This Agreement contains the entire agreement between Trailblazer and Shipper with respect to the subject matter hereof, and supersedes any and all prior understandings and agreements, whether oral or written, concerning the subject matter



hereof, and any and all such prior understandings and agreements are hereby deemed to be void and of no effect. No amendments to or modifications of this Agreement shall be effective unless agreed upon in a written instrument executed by Trailblazer and Shipper which expressly refers to this Agreement.

9. The FTS Rate Schedule, as revised from time to time, controls this Agreement and is incorporated herein. The attached Exhibits A, B and C (if applicable) are a part of this Agreement. Shipper shall provide the actual end user purchaser name(s) to Trailblazer if Trailblazer must provide them to the FERC.

Agreed to by:

TRAILBLAZER

SHIPPER

| /s/:   | /s/:   |
|--------|--------|
| NAME:  | NAME:  |
| TITLE: | TITLE: |



# EXHIBIT A

# **Receipt Points**

# DATED \_\_\_\_\_ EFFECTIVE \_\_\_\_\_

Shipper: \_\_\_\_\_

Contract No.:

Receipt Point(s):

| Name / Location             | <u>County / Area</u> | <u>State</u> | <u>PIN</u><br><u>No.</u> | MDQ<br><u>(Dth)</u> | FTS - By<br>Displacement<br>Only (Yes or No) |
|-----------------------------|----------------------|--------------|--------------------------|---------------------|--|
| PRIMARY RECEIPT POINT(S):   |                      |              |                          |                     |  |
| SECONDARY RECEIPT POINT(S): |                      |              |                          |                     | Not applicable                               |

Receipt Pressure, Assumed Atmospheric Pressure

Natural gas to be delivered to Trailblazer at the Receipt Point(s) shall be at a delivery pressure sufficient to enter Trailblazer's pipeline facilities at the pressure maintained from time to time, but Shipper shall not deliver gas at a pressure in excess of the Maximum Allowable Operating Pressure (MAOP) stated for each Receipt Point in Trailblazer's Catalog of Points. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Receipt Point(s).



#### Rates

Except as provided to the contrary in any written agreement(s) between the parties in effect during the term hereof, Shipper shall pay Trailblazer the applicable maximum rate(s) and all other lawful charges as specified in Trailblazer's applicable rate schedule. Shipper and Trailblazer may agree that Shipper shall pay a rate other than the applicable maximum rate so long as such rate is between the applicable maximum and minimum rates specified for such service in the Tariff. Trailblazer and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. The parties may agree that a specified discounted rate will apply only to specified volumes (MDQ or commodity volumes) under the agreement; that a specified discounted rate will apply only if specified volumes are achieved or only if the volumes do not exceed a specified level; that a specified discounted rate will apply only during specified periods of the year or for a specifically defined period; that a discounted rate shall not apply to Access Requests received after a specified time in the nomination cycle; that a specified discounted rate will apply only to specified points or other defined geographical area(s); and/or that a specified discounted rate(s) will apply in a specified relationship to the volumes actually transported (i.e., that the reservation charge will be adjusted in a specified relationship to volumes actually transported). Notwithstanding the foregoing, no discount agreement may provide that an agreed discount as to a certain volume level will be invalidated if the Shipper transports an incremental volume above that agreed level. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable maximum rate at the time the discount agreement was executed subsequently exceeds the applicable maximum rate due to a change in Trailblazer's maximum rates so that such rate component must be adjusted downward to equal the new applicable maximum rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. If the parties agree upon a rate other than the applicable maximum rate, such written Agreement(s) shall specify that the parties mutually agree either: (1) that the agreed rate is a discount rate; or (2) that the agreed rate is a Negotiated Rate (or Negotiated Rate Formula). In the event that the parties agree upon a Negotiated Rate or Negotiated Rate Formula, this Agreement shall be subject to Section 35 of these General Terms and Conditions of Trailblazer's Tariff.

#### Fuel Gas and Unaccounted For Gas Percentage (%)

Shipper will be assessed the applicable percentage for Fuel Gas and Unaccounted For Gas unless Trailblazer and Shipper mutually agree on monetary reimbursement.



# EXHIBIT B

### **Delivery Points**

DATED \_\_\_\_\_

Shipper: \_\_\_\_\_

Contract No.:

Delivery Point(s):

| Name / Location                 | County /<br>Area | State | PIN<br>No. | MDQ<br>(Dth) | FTS - By<br>Displacement<br>Only (Yes or No) |
|---------------------------------|------------------|-------|------------|--------------|--|
| 1. PRIMARY DELIVERY POINT(S):   |                  |       |            |              |  |
| 2. SECONDARY DELIVERY POINT(S): |                  |       |            |              | Not applicable                               |

# Delivery Pressure, Assumed Atmospheric Pressure

Natural gas to be delivered by Trailblazer to Shipper, or for Shipper's account, at the Delivery Point(s) shall be at the pressures available in Trailblazer's pipeline facilities from time to time. The measuring party shall use or cause to be used an assumed atmospheric pressure corresponding to the elevation at such Delivery Point(s).



# EXHIBIT C

### **Discount Agreement – FTS**

DATED \_\_\_\_\_

Shipper:

Contract No.: \_\_\_\_\_

# ARTICLE 1

# DISCOUNT PARAMETERS

1.1 Discount Term: From \_\_\_\_\_\_ Through \_\_\_\_\_\_

1.2 Discounted Monthly/Daily Base Reservation Rate: \$\_\_\_\_/Dth. of MDQ.

1.3 Discounted Base Commodity Rate: \$ \_\_\_\_/Dth.

1.4 Discounted Firm Transportation Quantity: \_\_\_\_\_ Dth./day.

1.5 Discounted Primary Receipt Points: [as set forth in Exhibit A, unless otherwise listed herein]

|      |     | DISCOUNTED<br>POINT MDQ |
|------|-----|-------------------------|
| NAME | PIN | POINT MDQ<br>(Dth/d)    |
|      |     |                         |
|      |     |                         |
|      |     |                         |
|      |     |                         |
|      |     |                         |
|      |     |                         |

1.6 Discounted Secondary Receipt Points: The Discounted Monthly/Daily Base Reservation Rate shall apply to service provided on a firm basis from the following secondary receipt points: \_\_\_\_\_



1.7 Discounted Primary Delivery Points: [as set forth in Exhibit B, unless otherwise listed herein]

| NAME | PIN | DISCOUNTED<br>POINT MDQ<br>(Dth/d) |
|------|-----|------------------------------------|
|      |     |                                    |
|      |     |                                    |
|      |     |                                    |
|      |     |                                    |
|      |     |                                    |

1.8 Discounted Secondary Delivery Points: The Discounted Monthly/Daily Base Reservation Rate shall apply to service provided on a firm basis to the following secondary delivery points: \_\_\_\_\_\_



# ARTICLE 2 DISCOUNT TERMS AND CONDITIONS; OTHER CHARGES

- 2.1 General Discount Limitations: The Discounted Monthly/Daily Base Reservation Rate shall apply only to: (i) service provided to Shipper by Trailblazer under the Transportation Agreement from the Discounted Receipt Points to the Discounted Delivery Points during the Discount Term; and (ii) a maximum daily firm transportation quantity equal to the Discounted Firm Transportation Quantity set forth in Section 1.4 above, for all quantities transported on a firm basis under the Transportation Agreement and any associated capacity release replacement agreements. Unless otherwise agreed, Shipper shall be charged all applicable maximum rates, charges, and surcharges set forth in Trailblazer's FERC Gas Tariff, as may be revised from time to time, for any aggregate quantities transported on a firm basis for Shipper and any associated capacity release replacement shippers which: (i) are in excess of the Discounted Firm Transportation Quantity, or (ii) involve any receipt or delivery points which are not Discounted Receipt or Delivery Points.
- 2.2 Discountable Third Party Surcharges: From time to time, certain reservation and/or commodity surcharges may be approved by the FERC for inclusion in Trailblazer's FERC Gas Tariff which Trailblazer is: (i) required to collect from Shipper and remit to the FERC or to another third party; and (ii) permitted to discount the amount of such surcharge from the applicable maximum rate set forth in Trailblazer's FERC Gas Tariff ("Discountable Third Party Surcharges"). [Describe any applicable surcharges covered by this Section and whether Trailblazer agreed to discount such surcharge for Shipper.]
- 2.3 Applicable Maximum Rates, Charges, and Surcharges: Unless otherwise expressly provided in this Agreement or agreed to in writing by Trailblazer, all applicable maximum rates, charges, surcharges, and penalties of any nature set forth in Trailblazer's FERC Gas Tariff, as may be revised from time to time, shall apply to service provided to Shipper under the Transportation Agreement, including without limitation all applicable: (i) Fuel and Gas Lost and Unaccountable For charges; (ii) authorized and unauthorized overrun charges; (iii) reservation surcharges; (iv) commodity rates, charges and surcharges; and (v) ACA surcharges.



# **EXHIBIT C**

# **Negotiated Rate Agreement – FTS**

DATED \_\_\_\_\_\_

Shipper: \_\_\_\_\_

Contract No.:

### ARTICLE 1

# NEGOTIATED RATE PARAMETERS

1.1 Negotiated Rate Term: From \_\_\_\_\_ Through \_\_\_\_\_

1.2 Negotiated Monthly/Daily Base Reservation Rate: \$\_\_\_\_\_/Dth. of MDQ.

1.3 Negotiated Base Commodity Rate: \$\_\_\_\_\_/Dth.

1.4 Eligible Firm Transportation Quantity: \_\_\_\_\_ Dth./day.

1.5 Eligible Primary Receipt Points: [as set forth in Exhibit A, unless otherwise listed herein]

|      |     | ELIGIBLE POINT |
|------|-----|----------------|
| NAME | PIN | MDQ (Dth/d.)   |

1.6 Eligible Secondary Receipt Points: The Negotiated Monthly/Daily Base Reservation Rate shall apply to service provided on a firm basis from the following secondary receipt points:

1.7 Eligible Primary Delivery Points: [as set forth in Exhibit B, unless otherwise listed herein]

|      |            | ELIGIBLE POINT |
|------|------------|----------------|
| NAME | <u>PIN</u> | MDQ (Dth/d.)   |

1.8 Eligible Secondary Delivery Points: The Negotiated Monthly/Daily Base Reservation Rate shall apply to service provided on a firm basis to the following secondary delivery points: \_\_\_\_\_\_



1.9 Other Rate-Related Provisions: [Describe any other fuel related provision authorized by the FTS Rate Schedule including any negotiated rate fuel cap provisions extended to capacity release replacement shippers.]



# ARTICLE 2 NEGOTIATED RATE TERMS AND CONDITIONS; OTHER CHARGES

- 2.1 General Negotiated Rate Limitations: The Negotiated Monthly/Daily Base Reservation Rate and Negotiated Base Commodity Rate shall apply only to: (i) service provided to Shipper by Trailblazer under the Transportation Agreement from the Eligible Receipt Points to the Eligible Delivery Points during the Negotiated Rate Term; and (ii) an aggregate maximum daily firm transportation quantity equal to the Eligible Firm Transportation Quantity set forth in Section 1.4 above, for all quantities transported on a firm basis under the Transportation Agreement and any associated capacity release replacement agreements. Unless otherwise agreed, Shipper shall be charged all applicable additional rates, charges, and surcharges set forth in Trailblazer's FERC Gas Tariff, as may be revised from time to time, for any aggregate quantities transported on a firm basis on any day for Shipper and any associated capacity release replacement shippers which: (i) are in excess of the Eligible Firm Transportation Quantity, or (ii) involve any receipt or delivery points which are not Eligible Receipt or Delivery Points.
- 2.2 Discountable Third Party Surcharges: From time to time, certain reservation and/or commodity surcharges may be approved by the FERC for inclusion in Trailblazer's FERC Gas Tariff which Trailblazer is: (i) required to collect from Shipper and remit to the FERC or to another third party; and (ii) permitted to discount the amount of such surcharge from the applicable maximum rate set forth in Trailblazer's FERC Gas Tariff ("Discountable Third Party Surcharges"). [Describe any applicable surcharges covered by this Section and whether Trailblazer is agreeable to negotiate the applicability of such surcharges as part of the negotiated rates.]
- 2.3 Additional Rates, Charges, and Surcharges: In addition to the Negotiated Monthly/Daily Base Reservation Rate and the Negotiated Base Commodity Rate, and unless otherwise expressly provided in this Agreement or agreed to in writing by Trailblazer, Shipper shall also pay Trailblazer all other applicable maximum rates, charges, surcharges, and penalties of any nature set forth in Trailblazer's FERC Gas Tariff, as may be revised from time to time, including without limitation all applicable maximum: (i) Fuel and Gas Lost and Unaccountable For charges; (ii) authorized and unauthorized overrun charges; (iii) reservation charges and surcharges; (iv) commodity charges and surcharges; and (v) ACA surcharges.