NATIONAL FUEL GAS SUPPLY CORPORATION FERC GAS TARIFF

Fifth Revised Volume No. 1 (Superseding Fourth Revised Volume No. 1)

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PRELIMINARY STATEMENT

National Fuel Gas Supply Corporation, a Pennsylvania corporation, is a natural gas pipeline company principally engaged in the business of storing and transporting natural gas in interstate commerce, under authorization granted by and subject to the jurisdiction of the Federal Energy Regulatory Commission. Its main pipeline system extends in a northerly and northeasterly direction from the extreme southwestern corner of Pennsylvania through Pennsylvania to the Canadian boundary of New York and easterly to Potter County, Pennsylvania and Steuben County, New York.

SYSTEM MAP

National Fuel's system map can be displayed and downloaded by using the link below. If the link does not work, please copy and paste into your browser's address bar.

https://informationalpostings.natfuel.com/supply/market/MktgNews/Presentations/documents/NFGSC_SYSTEM_MAP.pdf

Reserved for Future Use

Part 3.030 LOCATION OF MARKET POOLING POINTS

This part includes a map and table for each market pooling point ("MPP") identified in Section 4.1 of the MPPAS Rate Schedule. Each map shows the location of the MPP relative to Transporter's pipelines, and the parts of Transporter's system that are functionally on one side of the MPP, and, for some of the MPPs, parts of Transporter's system that are not on either side of the MPP (labeled "NA"). Each table contains two lists of receipt and delivery points, each comprised of receipt points on one side of the MPP and delivery points on the opposite side of the MPP. An MPP is considered to lie between the receipt points on a list and the corresponding delivery points on that list. The lists do not necessarily include all receipt and delivery points on Transporter's system. Receipt and delivery points in the areas marked NA and others that are not physically accessible to the MPP do not appear on the list associated with that MPP. Receipt point groupings, such as the Appalachian zones, Tennessee Zone 4 or 5, Columbia or Consolidated (DTI), only appear on the list if the entire grouping lies on one side of the MPP, and not within an area marked NA. The aggregate storage point is included or omitted from the lists based on whether the storages that would be filled from a particular receipt point under normal operations all lie on one side of the MPP, and not within an area marked NA.

The maps and tables are accessible on Transporter's publicly available website by clicking on the following link. If the link does not work, please copy and paste into your browser's address bar.

https://informationalpostings.natfuel.com/supply/market/MapsAndTables/MPPMapsandTables.pdf

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RATES FOR TRANSPORTATION SERVICES

Rate Sch. (1)	Rate Component ^{1/} (2)		Base Rate (3)	TSCA (4)	TSCA Surch. (5)	Current Rate ^{2/} (6)
FT/F7	T C					
F1/F 1	Reservation	(Max) (Min)	\$6.1350 0.0000	-	-	\$6.1350 \$0.0000
	Commodity	(Max) (Min)	0.0069 0.0069	-	-	\$0.0069 plus ACA ^{3/} \$0.0069 plus ACA ^{3/}
	Overrun	(Min) (Max) (Min)	0.2086 0.0069	-	-	\$0.0069 plus ACA \$0.2086 plus ACA ^{3/} \$0.0069 plus ACA ^{3/}
EFT	Reservation	(Max) (Min)	\$6.9865 0.0000	$0.0000 \\ 0.0000$	$0.0000 \\ 0.0000$	\$6.9865 \$0.0000
	Commodity	(Max) (Min)	0.0244 0.0244	$0.0000 \\ 0.0000$	$0.0000 \\ 0.0000$	\$0.0244 plus ACA ^{3/} \$0.0244 plus ACA ^{3/}
	Overrun	(Max) (Min)	0.2541 0.0244	-	-	\$0.2541 plus $ACA^{3/}$ \$0.0244 plus $ACA^{3/}$
FST	Reservation	(Max) (Min)	\$6.1350 0.0000	-	-	\$6.1350 \$0.0000
	Commodity	(Max) (Min)	0.0069 0.0069	-	-	\$0.0069 plus ACA ^{3/} \$0.0069 plus ACA ^{3/}
	Overrun	(Min) (Max) (Min)	0.0089 0.2086 0.0069	-	-	\$0.0069 plus ACA ³⁷ \$0.2086 plus ACA ³⁷ \$0.0069 plus ACA ³⁷
IT	Commodity	(Max)	\$0.2086 0.0000	-		\$0.2086 plus ACA ^{3/} \$0.0000 plus ACA ^{3/}
	Overrun	(Min) (Max) (Min)	0.0000 0.2086 0.0000	-	-	\$0.0000 plus ACA ^{3/} \$0.2086 plus ACA ^{3/} \$0.0000 plus ACA ^{3/}

The NA15 Retention is 1.05% applicable to use of the Northern Access 2015 Lease. ^{2/3/}

1/ The unit of measure for each rate component is Dth (dekatherms) unless otherwise indicated.

2/ All rates exclusive of Transportation Fuel and Company Use Retention and Transportation LAUF Retention. The Transportation Fuel and Company Use Retention for all applicable rate schedules is 0.78% and the Transportation LAUF Retention for all applicable rate schedules is 0.31%. Transporter may from time to time identify point pair transactions where the Transportation Fuel and Company Use Retention shall be zero ("Zero Fuel Point Pair Transactions"). Zero Fuel Point Pair Transactions will be assessed the applicable Transportation LAUF Retention.

4/ Transportation and Storage Retainage definitions are provided in General Terms and Conditions Section 41.2.

^{3/} Pursuant to Section 19 of the General Terms and Conditions, the ACA unit charge, as revised annually and posted on the Commission's website, will be charged in addition to the specified rate.

Rate Sch. (1)	Rate Component ^{1/} (2)		Rate ^{2/} (3)	
ESS	Demand Capacity Injection/Withdrawal Storage Balance Transfer	(Max) (Min) (Max) (Min) (Max) (Min) (Max) ^{4/} (Min) ^{4/}	\$3.2263 \$0.0000 \$0.0589 \$0.0000 \$0.0396 plus ACA ^{3/} \$0.0000 \$3.8600 \$0.0000	
ISS	Injection Storage Balance Transfer	(Max) (Min) (Max) ^{4/} (Min) ^{4/}	\$1.3514 plus ACA ^{3/} \$0.0000 \$3.8600 \$0.0000	
FSS	Demand Capacity Injection/Withdrawal Storage Balance Transfer	(Max) (Min) (Max) (Min) (Max) (Min) (Max) ^{4/} (Min) ^{4/}	\$3.1020 \$0.0000 \$0.0563 ' \$0.0000 \$0.0381 plus ACA ^{3/} \$0.0000 \$3.8600 \$0.0000	

RATES FOR PART 284 STORAGE SERVICES

^{1/} The unit of measure for each rate component is Dth unless otherwise indicated.

^{2/} All rates exclusive of Storage Operating and LAUF Retention, where applicable. The Storage Operating and LAUF Retention for all applicable rate schedules is 0.84%.

^{3/} Pursuant to Section 19 of the General Terms and Conditions, the ACA unit charge, as revised annually and posted on the Commission's website, will be charged in addition to the specified rate.

^{4/} Rate per nomination.

RATES FOR PART 157 STORAGE SERVICE

Rate Sch. (1)	Rate Component ^{1/} (2)	Rate $\frac{2}{3}$
SS-1	Deliverability Capacity Injection/Withdrawal Excess Service Surface Operating & LAUF Allowance Charge	\$9.9802/ \$0.0356 \$0.0235 plus ACA ^{3/} \$0.0235 \$0.0235

 $^{1/\;}$ The unit of measure for each rate component is Dth unless otherwise indicated.

^{2/} All rates exclusive of Storage Operating and LAUF Retention, where applicable. The Storage Operating and LAUF Retention for all applicable rate schedules is 0.84%.

^{3/} Pursuant to Section 19 of the General Terms and Conditions, the ACA unit charge, as revised annually and posted on the Commission's website, will be charged in addition to the specified rate.

GATHERING RATES

Rate Sch. (1)	Rate Component ^{1/} (2)		Rate ^{2/} (3)	,
IG	Commodity	(Max) (Min)	* \$0.0244	
FG	Reservation	(Max) (Min)	* 0.0000	
	Commodity	(Max) (Min)	0.0244 0.0244	plus ACA ^{3/}
	Overrun	(Max) (Min)	0.0244 * *	 plus ACA ^{3/} plus ACA ^{3/} plus ACA ^{3/}

*See table below

Index Price	IG Commodity Rate and FG Overrun Rate	FG Reservation Rate
< \$1.20	\$0.1267	\$53.6396
\geq \$1.20 and < \$1.40	\$0.1520	\$52.7006
\geq \$1.40 and < \$1.60	\$0.1774	\$51.7579
\geq \$1.60 and < \$1.80	\$0.2027	\$50.8189
\geq \$1.80 and < \$2.00	\$0.2281	\$49.8762
\geq \$2.00 and < \$2.20	\$0.2534	\$48.9372
\geq \$2.20 and < \$2.40	\$0.2787	\$47.9982
\geq \$2.40 and < \$2.60	\$0.3041	\$47.0555
\geq \$2.60 and < \$2.80	\$0.3294	\$46.1165
\geq \$2.80 and < \$3.00	\$0.3548	\$45.1738
\geq \$3.00 and < \$3.20	\$0.3801	\$44.2348
\geq \$3.20 and < \$3.40	\$0.4054	\$43.2958
\geq \$3.40 and < \$3.60	\$0.4308	\$42.3531
\geq \$3.60 and < \$3.80	\$0.4561	\$41.4141
\geq \$3.80 and < \$4.00	\$0.4815	\$40.4714
\geq \$4.00 and < \$4.20	\$0.5068	\$39.5324
\geq \$4.20 and < \$4.40	\$0.5321	\$38.5935
\geq \$4.40 and < \$4.60	\$0.5575	\$37.6508
\geq \$4.60 and < \$4.80	\$0.5828	\$36.7118
\geq \$4.80 and < \$5.00	\$0.6082	\$35.7691
\geq \$5.00 and < \$5.20	\$0.6335	\$34.8301
\geq \$5.20 and < \$5.40	\$0.6588	\$33.8911
\geq \$5.40 and < \$5.60	\$0.6842	\$32.9484
\geq \$5.60 and < \$5.80	\$0.7095	\$32.0094
\geq \$5.80 and < \$6.00	\$0.7349	\$31.0667
\geq \$6.00 and < \$6.20	\$0.7602	\$30.1277
\geq \$6.20 and <\$6.40	\$0.7855	\$29.1887

Index Price	IG Commodity Rate and FG Overrun Rate	FG Reservation Rate
\geq \$6.40 and <\$6.60	\$0.8109	\$28.2460
≥\$6.60 and <\$6.80	\$0.8362	\$27.3070
≥\$6.80 and <\$7.00	\$0.8616	\$26.3643
≥\$7.00 and <\$7.20	\$0.8869	\$25.4253
\geq \$7.20 and < \$7.40	\$0.9122	\$24.4863
\geq \$7.40 and $<$ \$7.60	\$0.9376	\$23.5436
≥\$7.60 and <\$7.80	\$0.9629	\$22.6046
≥\$7.80 and <\$8.00	\$0.9883	\$21.6619
≥\$8.00 and <\$8.20	\$1.0136	\$20.7230
≥\$8.20 and <\$8.40	\$1.0389	\$19.7840
\geq \$8.40 and < \$8.60	\$1.0643	\$18.8413
≥\$8.60 and <\$8.80	\$1.0896	\$17.9023
≥\$8.80 and <\$9.00	\$1.1150	\$16.9596
≥\$9.00 and <\$9.20	\$1.1403	\$16.0206
≥\$9.20 and <\$9.40	\$1.1656	\$15.0816
≥\$9.40 and <\$9.60	\$1.1910	\$14.1389
≥\$9.60 and <\$9.80	\$1.2163	\$13.1999
≥\$9.80 and <\$10.00	\$1.2417	\$12.2572
≥\$10.00 and <\$10.20	\$1.2670	\$11.3182
≥\$10.20 and <\$10.40	\$1.2923	\$10.3792
≥\$10.40 and <\$10.60	\$1.3177	\$9.4365
≥\$10.60 and <\$10.80	\$1.3430	\$8.4975
≥\$10.80 and <\$10.99	\$1.3684 \$7.5548	
≥\$10.99	\$1.3937	\$6.9865

^{1/} The unit of measure for each rate component is Dth unless otherwise indicated.

^{2/} All rates exclusive of Transportation Fuel and Company Use Retention and Transportation LAUF Retention. The Transportation Fuel and Company Use Retention for all applicable rate schedules is0.78% and the Transportation LAUF Retention for all applicable rate schedules is 0.31%. Transporter may from time to time identify point pair transactions where the Transportation Fuel and Company Use Retention shall be zero ("Zero Fuel Point Pair Transactions will be assessed the applicable Transportation LAUF Retention.

^{3/} Pursuant to Section 19 of the General Terms and Conditions, the ACA unit charge, as revised annually and posted on the Commission's website, will be charged in addition to the specified rate.

RATES FOR OTHER SERVICES

Rate Sch. (1)	Rate Component ^{1/} (2)		Rate $\frac{2/3}{(3)}$	
IAS	Usage	(Max) ^{4/} (Min) ^{4/}	\$0.0030 0.0000	
	Advance/Return	(Max) (Min)	0.0396 plus ACA ^{5/} 0.0000	
MPPA	S			
	Commodity	(Max) (Min)	0.0079 0.0000	

1/ The unit of measure for each rate component is Dth unless otherwise indicated.

2/ All rates exclusive of Transportation Fuel and Company Use Retention and Transportation LAUF Retention. The Transportation Fuel and Company Use Retention for all applicable rate schedules is 0.78% and the Transportation LAUF Retention for all applicable rate schedules is 0.31%. Transporter may from time to time identify point pair transactions where the Transportation Fuel and Company Use Retention shall be zero ("Zero Fuel Point Pair Transactions"). Zero Fuel Point Pair Transactions will be assessed the applicable Transportation LAUF Retention.

3/ All rates exclusive of Storage Operating and LAUF Retention, where applicable. The Storage Operating and LAUF Retention for all applicable rate schedules is 0.84%.

4/ Unit Dth rates per day.

5/ Pursuant to Section 19 of the General Terms and Conditions, the ACA unit charge, as revised annually and posted on the Commission's website, will be charged in addition to the specified rate.

RESERVED FOR FUTURE USE

PART 6 – RATE SCHEDULES

FT – Firm Transportation Service	Schedule 6.010
FT-S – Firm Transportation Service - Seasonal	Schedule 6.020
EFT – Enhanced Firm Transportation Service	Schedule 6.030
FST – Firm Storage Transportation Service	Schedule 6.040
IT – Interruptible Transportation Service	Schedule 6.050
PTR – Plant Thermal Reduction Transportation Service	Schedule 6.055
IAS – Interruptible Advance Service	Schedule 6.060
FSS – Firm Storage Service	Schedule 6.070
ESS – Enhanced Storage Service	Schedule 6.080
ISS – Interruptible Storage Service	Schedule 6.090
Reserved for Future Use	Schedule 6.100
Reserved for Future Use	Schedule 6.110
Reserved for Future Use	Schedule 6.120
Reserved for Future Use	Schedule 6.130
Reserved for Future Use	Schedule 6.140
SS-1 – 110-Day Underground Storage Service	Schedule 6.150

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1 Part 6 – Rate Schedules Schedule 6.010: FT Rate Schedule § 1 – Availability Version 4.0.0 Page 1 of 3

FT RATE SCHEDULE Firm Transportation Service

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for transportation service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") for any person (hereinafter called "Shipper") provided that: (i) capacity is available on all portions of Transporter's system (including primary receipt and delivery points) necessary to provide service on a firm basis throughout the requested term; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for firm transportation service under this FT Rate Schedule in the form contained in this tariff; and (iii) said service complies with the terms and conditions of this FT Rate Schedule.
- 1.2 For purposes of determining the availability of service in processing requests for service hereunder, Transporter shall not grant any said request for transportation service: (i) for which capacity is not available on any portion of its system necessary to provide such service on a firm basis; provided, however, that Transporter may not reject a request for service hereunder solely because of the absence of equipment sufficient to provide Transporter with measurement information from a supervisory control and data acquisition ("SCADA") system and the ability to remotely adjust gas flows via a SCADA system, at any delivery point, unless the installation of such equipment would not be operationally feasible, as determined by Transporter; (ii) which could in Transporter's judgment interfere with the integrity of its system, or service to existing firm transportation or storage customers; or (iii) if such service does not comply with this FT Rate Schedule or the FT Service Agreement. Transporter shall not be required to grant any said request for transportation service which would require the construction, modification, expansion or acquisition of any facilities. Availability of service is also subject to Section 31 of the General Terms and Conditions - Qualification for Service.
- 1.3 While a determination of capacity on Transporter's system is reported once each year, on March 1st, in accordance with Section 284.13(d)(2) of the Commission's regulations, determination of available firm capacity on Transporter's system shall be made from time to time as capacity becomes available or as requests for service are received hereunder. Subject to Sections 10, 11 and 26 of the General Terms and Conditions of this tariff,

in processing requests for service hereunder, Transporter shall allocate any available firm capacity to persons which make a valid request under Section 31 of the General Terms and Conditions, on a first come, first served basis determined as of the date Transporter received a valid request.

- 1.4 Upon the request of Shipper, firm primary delivery or receipt points may be added or deleted from time to time provided Transporter can provide service at such points on a firm basis, provided, however, that Transporter shall have no obligation to agree to a change in Shipper's primary receipt or delivery point if such change would result in a decrease in Shipper's rate or the revenues received from Shipper under the applicable Transportation Service Agreement. The availability of service at secondary receipt and delivery points is described in Section 2.4 hereof.
 - (a) Availability of service at new primary delivery point(s) will be subject to the provisions of this Section 1, and the reassignment of the Shipper's Contract MDTQ, as defined in Section 2.3, among its existing and new primary delivery point(s).
 - (b) Availability of service at new primary receipt point(s) will be subject to the provisions of this Section 1, and the reassignment of the Shipper's Contract MDTQ, as defined in Section 2.3, among its existing and new primary receipt points.
 - (c) A request for a change in primary receipt or delivery points shall be set forth on Transporter's Service Request Form, however, the information specified in subsections (c) and (f) of Section 31.1 of the General Terms and Conditions may be omitted.
 - (d) A change will not be made to a primary receipt or delivery point if such change would require capacity that is posted for bidding under Section 26 of the General Terms and Conditions, unless such capacity remains available at the end of the posting period.
- 1.5 With the exception of the Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule, this FT Rate Schedule is available only for transportation to delivery points that are equipped with equipment sufficient to provide Transporter with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system. All primary receipt points must also be equipped with such equipment. Notwithstanding the foregoing, "Transporter's Storage Facilities" may be used as a secondary receipt point or a secondary delivery point under an FT Service Agreement, and Market Pooling Points

identified in Section 4.1 of the MPPAS Rate Schedule may be used as primary or secondary receipt or delivery points under an FT Service Transporter may waive the requirement that points be Agreement. equipped with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system on a nondiscriminatory basis with respect to a delivery point or primary receipt point if it determines that such equipment exists at another point on Transporter's system and can (a) control gas flows at the delivery or primary receipt point and (b) provide a close approximation of the quantity of gas flowing at such delivery or primary receipt point. In addition, Transporter may, on a non-discriminatory basis (i) waive the requirement to install equipment sufficient to provide it with the ability to remotely adjust gas flows via a SCADA system with respect to a delivery point or primary receipt point if it determines that such capability is not required for operational purposes at such point, and (ii) rescind any such waiver on thirty (30) days notice to affected shippers if it subsequently determines that such capability is required for operational purposes at such point.

- 1.6 In addition to the information specified in Section 31 of the General Terms and Conditions, a request for service under this rate schedule shall include the following:
 - (a) <u>Receipt/Delivery Points</u>: The primary receipt and delivery points for the requested transportation together with the name of the entity delivering the gas to Transporter and the name of the entity to receive the gas from Transporter,
 - (b) <u>Gas Quantities</u>: The maximum daily transportation quantity (MDTQ) applicable to each primary receipt and delivery point, stated in dekatherms.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The transportation service provided under this FT Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the FT Service Agreement, Subpart 284B of such regulations. This FT Rate Schedule shall apply to all gas transported by Transporter for Shipper pursuant to an FT Service Agreement.
- 2.2 Service hereunder shall be provided on a firm basis. However, service may be interrupted for any of the reasons set out in Section 8 of the General Terms and Conditions hereof, or whenever necessary to maintain gas quality or the integrity of Transporter's system. Service hereunder is also subject to the availability of any necessary upstream or downstream transportation, which shall be the responsibility of Shipper to arrange.
- 2.3 Service hereunder shall consist of the receipt by Transporter of natural gas tendered by Shipper for transportation at the primary receipt point(s) specified in the FT Service Agreement, or at secondary receipt points as described in Subsection 2.4 hereof, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas, after reductions as set out in the FT Service Agreement and Section 3 of this FT Rate Schedule, by Transporter to Shipper or for Shipper's account at the primary delivery points specified in the FT Service Agreement, or at secondary delivery points as described in Subsection 2.4 hereof. Except as provided in Subsection 2.4 and Section 2.5 hereof, Shipper shall have no right:
 - (a) to tender quantities of gas at any firm primary receipt point in excess of the Maximum Daily Transportation Quantity (MDTQ) specified in the FT Service Agreement for that receipt point,
 - (b) to tender quantities of gas in excess of the Contract MDTQ on any day at any combination of receipt points,
 - (c) to take delivery of quantities of gas at any firm primary delivery point in excess of the MDTQ specified in the FT Service Agreement for that delivery point, nor
 - (d) to take delivery of quantities of gas in excess of the Contract MDTQ on any day at any combination of delivery points.

The Contract MDTQ shall be the sum of the MDTQ's applicable to each primary receipt point. The sum of the MDTQ's applicable to each primary delivery point shall also equal the Contract MDTQ, net of applicable Transportation Fuel and Company Use Retention and Transportation LAUF Retention.

- 2.4 Subject to the provisions of this FT Rate Schedule, Transporter will:
 - (a) accept natural gas tendered by Shipper at a secondary receipt point, and
 - (b) deliver natural gas for the Shipper's account at a secondary delivery point;

provided that such acceptance or delivery would not impair Transporter's ability to provide firm transportation (to another Shipper from a firm primary receipt point or to a firm primary delivery point) or firm storage service, and provided further that any such delivery point(s) are equipped with measurement, control and communication equipment required for firm delivery points. Use of secondary receipt and delivery points by FT Shippers shall be superior to the use of such points by interruptible shippers.

- 2.5 Shipper may request Transporter to receive, transport, and deliver quantities of natural gas in excess of Shipper's MDTQ on any day under the FT Service Agreement. In such case, Transporter will determine whether the delivery capacity of its system will permit such receipt, transportation, and delivery without impairing the ability of Transporter to meet its other delivery obligations. Deliveries pursuant to such scheduled overrun transportation shall be subordinated to all firm transportation and firm storage services and shall be scheduled, together with transportation under Rate Schedule IT.
- 2.6 Service under this FT Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Transporter.
- 2.7 A shipper receiving service under this FT Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.
- 2.8 The FT Service Agreement (or for service agreements in effect as of June 1, 2002, Appendix B to Transporter's June 14, 2002, filing in

compliance with Order No. 637) shall indicate the transportation path through Transporter's system between Shipper's primary receipt and delivery point(s), and the receipt and delivery points located along the transportation path that are eligible as primary or secondary receipt or delivery points. Upon implementation of Transporter's new business system, Shipper may simultaneously nominate for and/or release its capacity in two or more segments along its transportation path, provided that the combined nominated and/or released quantities do not exceed Shipper's Contract MDTQ (or the portion thereof identified to a particular transportation path) in any such segment. Each such segment must be bounded by a primary receipt point and a delivery point eligible under Section 1.5 hereof or two delivery points eligible under Section 1.5 hereof. While any such segmented service is being provided to Shipper or its Replacement Shipper (as defined in Section 10 of the General Terms and Conditions) on a primary or secondary basis, neither Shipper nor its Replacement Shipper shall be eligible to use receipt or delivery points that are not located along the transportation path. The Commodity Charge (set forth in Section 3.2(a) hereof) the Transportation Fuel and Company Use Retention, and the Transportation LAUF Retention (both set forth in Section 3.3 hereof) shall be applied to each segmented service.

Notwithstanding Section 1.4(a) and (b) of this FT Rate Schedule, the establishment of a new primary receipt or delivery point along Shipper's transportation path for Shipper or its Replacement Shipper (as defined in Section 10 of the General Terms and Conditions) shall not require the reassignment of the Shipper's Contract MDTQ among its existing and new primary points unless Transporter's ability to provide firm service at the existing points relies upon operational conditions that would be changed in the establishment of the new primary point.

Subject to the limitations set forth above, Shipper's segmentation rights shall include the ability for Shipper or its replacement shippers to nominate a forwardhaul and a backhaul transportation to the same delivery point; provided that, with respect to gas flowing opposite to the direction that gas flows from Shipper's primary receipt point(s) to its primary delivery point(s), deliveries at such point (even if a primary point) shall have the priority set forth at Section 13.2(a)(iv) or 13.2(b)(iv) of the General Terms and Conditions, as applicable.

- 2.9 Reserved for future use.
- 2.10 Reserved for future use.

2.11 Transporter shall not be required to receive or deliver gas at a receipt or delivery point where the total quantity of gas for transportation scheduled is less than that required to operate existing measurement facilities at such point.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for service under this rate schedule are set forth on the currently effective Section 4.010 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Reservation Charge</u>. A charge per month per Dth of Contract MDTQ.
 - (b) <u>Commodity Charge</u>. A charge per Dth for all gas delivered by Transporter during the billing month, except gas delivered into storage for subsequent transportation by Transporter upon withdrawal and gas delivered into a Market Pool established in accordance with the MPPAS Rate Schedule.
 - (c) <u>Interruptible Gathering ("IG") Charge</u>. In the event that Transporter transports Shipper's gas through any pipeline facilities, classified as gathering, a charge per Dth as set forth in Section 4.040 for all gas transported through such facilities during the billing month. Gas transported through the meters shown in the list updated from time to time on Transporter's web site, shall be subject to the interruptible gathering rate.

The maximum IG rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the interruptible gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

(d) An amount to reimburse Transporter for filing fees paid to the Commission associated with the transportation service.

- (e) An amount to reimburse Transporter for the cost of any new facilities installed by Transporter to receive or deliver natural gas for the account of Shipper; including, but not limited, to equipment sufficient to provide Transporter with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system.
- 3.3 Except as provided in this section, Transporter will retain the (a) percent of receipts set forth in Section 4.010 as "Transportation Fuel and Company Use Retention" and the percent of receipts set forth in Section 4.010 as "Transportation LAUF Retention". Transporter may from time to time determine point pairs on its system where the Transportation Fuel and Company Use Retention will not be applied to a particular transaction ("Zero Fuel Point Pair Transactions"). Zero Fuel Point Pair Transactions will be determined by a review of projected system flows and the indication that on an aggregate basis no incremental Transportation Fuel or Company Use will be required to facilitate those transactions. Transporter will post on its web site point pairs where the Transportation Fuel and Company Use Retention shall be zero, the quantity eligible for such treatment, and the term of such eligibility. To the extent that more requests for Zero Fuel Point Pair Transaction capacity are received than Transporter has eligible capacity, such capacity will be awarded pursuant to Section 13.2 of the General Terms and Conditions. If Transporter later determines that incremental Transportation Fuel and Company Use is required to facilitate a transaction that had previously been identified as not requiring incremental Transportation Fuel and Company Use, Transporter will post such information to its web site and will require Transportation Fuel and Company Use reimbursement on a going forward basis; provided, however, Transporter will continue to honor any Zero Fuel Point Pair Transactions with respect to primary receipt and delivery points for the shorter of (a) the term of the commitment as posted on Transporter's web site or (b) the primary term of Shipper's service agreement.
 - (b) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on quantities scheduled for delivery into a Market Pool established under the MPPAS Rate Schedule.

- 3.4 Except as provided by valid rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.010; however, nothing precludes Transporter from charging a rate between the maximum and minimum rate for service under this Rate Schedule as set forth in Section 4.010.
- 3.5 <u>Overrun Transportation</u>: For each Dth of gas delivered by Transporter on any day in excess of Shipper's Contract MDTQ (whether or not scheduled), Shipper shall pay Transporter the applicable rate for Overrun Transportation set forth in Section 4.010 of this tariff.
- 3.6 <u>Reservation Charge Credits</u>:
 - General Rule and Applicability: In the event Transporter is unable (a) to make deliveries of the quantity of gas to which Shipper has firm entitlements on any day under an FT service agreement and to which Shipper has nominated for delivery from a primary receipt point to a primary delivery point under such agreement in accordance with this tariff and stands ready to deliver to Transporter in accordance with this tariff, Transporter shall provide a reservation charge credit applicable to the quantity of gas that was nominated and confirmed by Shipper's supplier or upstream pipeline, net of applicable retentions for Transportation LAUF and Transportation Fuel and Company Use, but not delivered; provided, however, Transporter shall not be relieved of the obligation to provide a credit for failure to confirm a nomination for reasons within its control. Subject to Section 3.6(b), the quantity of gas to which the credit shall apply shall be determined as follows:
 - (i) when Transporter has given notice of the unavailability of service at least twenty-four (24) hours prior to the 11:30 a.m. deadline for nominations leaving control of the nominating party in the Timely Nomination Cycle, pursuant to Section 13.1(a) of the General Terms and Conditions, (A) the lesser of the applicable MDTQ or the average of daily quantities nominated and confirmed from Shipper's primary receipt point to the Shipper's primary delivery point during the most recent seven (7) days preceding the date service became unavailable, during which service was available, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper; or

- (ii) when Transporter has not given notice as specified in Section 3.6(a)(i), (A) the lesser of the applicable MDTQ or the quantity Shipper has nominated in accordance with this tariff, and which has been confirmed by Shipper's supplier or upstream pipeline, for the day, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper;
- (b) Exceptions and Clarifications: Transporter shall not be obligated to provide a reservation charge credit with respect to quantities
 - nominated by Shipper and subsequently delivered by Transporter at another primary or secondary delivery point during the day; provided that Shipper will not be obligated to submit nominations to another delivery point;
 - (ii) that Transporter is unable to schedule at a primary receipt or delivery point due to the allocation of capacity to a Shipper that was properly scheduled in an earlier nomination cycle that is not subject to reduction or "bumping" in the current cycle;
 - (iii) that Transporter delivered at the primary delivery point but were not allocated to Shipper because other shippers without primary firm priority at the point were ranked higher than Shipper under the applicable allocation method for the point;
 - (iv) that Transporter is unable to schedule or deliver due to a failure or inadequacy of supply, transportation or market upstream or downstream of Transporter's system, provided that this clause (iv) shall not apply when Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, affecting Transporter and an upstream or downstream pipeline;
 - (v) that Transporter does not accept at a primary receipt point in accordance with the Section 2 of the General Terms and Conditions (Gas Quality);
 - (vi) that Shipper elected not to receive at a primary delivery point, except when it refuses to accept deliveries because of

Transporter's failure to meet its obligations under this tariff; or

- (vii) not delivered at a primary delivery point due to scheduled work on Transporter's facilities if Transporter and Shipper have mutually coordinated the timing of the scheduled work and the work is performed in accordance with that schedule.
- (c) Calculation of the Credit:
 - (i) When Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by 28.00% of the reservation charge (the portion representing return on equity and related taxes) shown on the table appearing in Part 4 of this tariff, expressed as a daily rate (*i.e.*, the reservation charge times 12 (months) and then divided by 365 (days)); provided, however, that for discounted rate agreements, the credit shall be based on 100% of the portion of the contractual reservation rate, if any, that exceeds 72.00% of the maximum recourse rate, unless otherwise agreed to in writing by Transporter and Shipper.
 - (ii) When Transporter's inability to deliver gas is due to Transporter's scheduling of necessary maintenance and repair of facilities, the tie-in of new facilities, or other causes, excepting the circumstances addressed in Section 3.6(c)(i), the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by the contractual reservation rate, expressed as a daily rate (*i.e.*, the reservation rate times 12 (months) and then divided by 365 (days)).
 - (iii) Any reservation charge credit will be reflected on the Shipper's monthly invoice and will be applied first to any balances owed by Shipper.
 - (iv) For capacity release transactions, reservation charge credits applicable to the Replacement Shipper shall be determined in accordance with Section 3.6(c)(i) or 3.6(c)(ii), as applicable, provided that the contractual reservation rate utilized in

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

calculating any applicable credits shall be the lower of the contractual reservation rate of the Releasing Shipper or the contractual reservation rate of the Replacement Shipper. If the Replacement Shipper is paying a volumetric rate, no reservation charge credit will be provided. Billing credits applicable to the Releasing Shipper pursuant to GT&C Section 10.9 shall be calculated without regard to any reservation charge credits provided to the Replacement Shipper pursuant to this Section 3.6. Under no circumstances shall the total of the reservation charge credit exceed the reservation charge Shipper would have paid absent a capacity release or segmentation by Shipper.

- (v) For a two-year transitional period beginning April 28, 2013, reservation charge credits associated with outages that are required to comply with orders issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Section 60139(c) of Title 49 of the United States Code, shall be calculated in accordance with clause (i) of this Section 3.6(c). Notices of outages pursuant to this section shall identify the specific PHMSA order with which Transporter is complying.
- 3.7 <u>Minimum Monthly Bill</u>: The minimum monthly bill shall be the Reservation Charge.

4. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this rate schedule. National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1 Part 6 – Rate Schedules Schedule 6.020: FT-S Rate Schedule § 1 – Availability Version 4.0.0 Page 1 of 3

FT-S RATE SCHEDULE Firm Transportation Service - Seasonal

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for transportation service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") for any person (hereinafter called "Shipper") provided that: (i) capacity is available on all portions of Transporter's system (including primary receipt and delivery points) necessary to provide service on a firm basis but only during certain months of the year during the requested term or where the amount of capacity available is not the same each month during the requested term; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions that seeks service only for all or a proportionate amount of such capacity as is available and executes a service agreement for firm transportation service under this FT-S Rate Schedule in the form contained in this tariff under which the Contract MDTQ varies from month to month according to the amount of capacity available; and (iii) said service complies with the terms and conditions of this FT-S Rate Schedule.
- 1.2 For purposes of determining the availability of service in processing requests for service hereunder, Transporter shall not grant any said request for transportation service: (i) for which capacity is not available on any portion of its system necessary to provide such service on a firm basis; provided, however, that Transporter may not reject a request for service hereunder solely because of the absence of equipment sufficient to provide Transporter with measurement information from a supervisory control and data acquisition ("SCADA") system and the ability to remotely adjust gas flows via a SCADA system control capability at any delivery point, unless the installation of such equipment would not be operationally feasible, as determined by Transporter; (ii) which could in Transporter's judgment interfere with the integrity of its system, or service to existing firm transportation or storage customers; or (iii) if such service does not comply with this FT-S Rate Schedule or the FT-S Service Agreement. Transporter shall not be required to grant any said request for transportation service which would require the construction, modification, expansion or acquisition of any facilities. Availability of service is also subject to Section 31 of the General Terms and Conditions - Qualification for Service.

- 1.3 While a determination of capacity on Transporter's system is reported once each year, on March 1st, in accordance with Section 284.13(d)(2) of the Commission's regulations, determination of available firm capacity on Transporter's system shall be made from time to time as capacity becomes available or as requests for service are received hereunder. Subject to Sections 10, 11 and 26 of the General Terms and Conditions of this tariff, in processing requests for service hereunder, Transporter shall allocate any available firm capacity to persons which make a valid request under Section 31 of the General Terms and Conditions, on a first come, first served basis determined as of the date Transporter received a valid request.
- 1.4 Upon the request of Shipper, firm primary delivery or receipt points may be added or deleted from time to time provided Transporter can only provide service at such points on a seasonal firm basis as described in the FT-S Service Agreement, provided, however, that Transporter shall have no obligation to agree to a change in Shipper's primary receipt or delivery point if such change would result in a decrease in Shipper's rate or the revenues received from Shipper under the applicable Transportation Service Agreement. The availability of service at secondary receipt and delivery points is described in Section 2.4 hereof.
 - (a) Availability of service at new primary delivery point(s) will be subject to the provisions of this Section 1, and the reassignment of the Shipper's Contract MDTQ, as defined in Section 2.3, among its existing and new primary delivery point(s).
 - (b) Availability of service at new primary receipt point(s) will be subject to the provisions of this Section 1, and the reassignment of the Shipper's Contract MDTQ, as defined in Section 2.3, among its existing and new primary receipt points.
 - (c) A request for a change in primary receipt or delivery points shall be set forth on Transporter's Service Request Form, however, the information specified in subsections (c) and (f) of Section 31.1 of the General Terms and Conditions may be omitted.
 - (d) A change will not be made to a primary receipt or delivery point if such change would require capacity that is posted for bidding under Section 26 of the General Terms and Conditions, unless such capacity remains available at the end of the posting period.

- 1.5 With the exception of the Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule, this FT-S Rate Schedule is available only for transportation to delivery points that are equipped with equipment sufficient to provide Transporter with measurement information from a supervisory control and data acquisition ("SCADA") system and the ability to remotely adjust gas flows via a SCADA system. All primary receipt points must also be equipped with such equipment. Notwithstanding the foregoing, "Transporter's Storage Facilities" may be used as a secondary receipt point or a secondary delivery point under an FT-S Service Agreement, and Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule may be used as primary or secondary receipt or delivery points under an FT-S Rate Schedule. Transporter may waive the requirement that points be equipped with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system on a non-discriminatory basis with respect to a delivery point or primary receipt point if it determines that such equipment exists at another point on Transporter's system and can (a) control gas flows at the delivery or primary receipt point and (b) provide a close approximation of the quantity of gas flowing at such delivery or primary receipt point. In addition, Transporter may, on a non-discriminatory basis (i) waive the requirement to install equipment sufficient to provide it with the ability to remotely adjust gas flows via a SCADA system with respect to a delivery point or primary receipt point if it determines that such capability is not required for operational purposes at such point, and (ii) rescind any such waiver on thirty (30) days notice to affected shippers if it subsequently determines that such capability is required for operational purposes at such point.
- 1.6 In addition to the information specified in Section 31 of the General Terms and Conditions, a request for service under this rate schedule shall include the following:
 - (a) <u>Receipt/Delivery Points</u>: The primary receipt and delivery points for the requested transportation together with the name of the entity delivering the gas to Transporter and the name of the entity to receive the gas from Transporter,
 - (b) <u>Gas Quantities</u>: The maximum daily transportation quantity (MDTQ) for each month of the year during the requested term, applicable to each primary receipt and delivery point, stated in dekatherms.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The transportation service provided under this FT-S Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the FT-S Service Agreement, Subpart 284B of such regulations. This FT-S Rate Schedule shall apply to all gas transported by Transporter for Shipper pursuant to an FT-S Service Agreement.
- 2.2 Service hereunder shall be provided on a firm basis. However, service may be interrupted for any of the reasons set out in Section 8 of the General Terms and Conditions hereof, or whenever necessary to maintain gas quality or the integrity of Transporter's system. Service hereunder is also subject to the availability of any necessary upstream or downstream transportation, which shall be the responsibility of Shipper to arrange.
- 2.3 Service hereunder shall consist of the receipt by Transporter of natural gas tendered by Shipper for transportation at the primary receipt point(s) specified in the FT-S Service Agreement, or at secondary receipt points as described in Subsection 2.4 hereof, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas, after reductions as set out in the FT-S Service Agreement and Section 3 of this FT-S Rate Schedule, by Transporter to Shipper or for Shipper's account at the primary delivery points specified in the FT-S Service Agreement, or at secondary delivery points as described in Subsection 2.4 hereof. Except as provided in Subsection 2.4 and Section 2.5 hereof, Shipper shall have no right:
 - (a) to tender quantities of gas at any firm primary receipt point in excess of the Maximum Daily Transportation Quantity (MDTQ) specified in the FT-S Service Agreement for that receipt point,
 - (b) to tender quantities of gas in excess of the Contract MDTQ on any day at any combination of receipt points,
 - (c) to take delivery of quantities of gas at any firm primary delivery point in excess of the MDTQ specified in the FT-S Service Agreement for that delivery point, nor

(d) to take delivery of quantities of gas in excess of the Contract MDTQ on any day at any combination of delivery points.

The Contract MDTQ shall be the sum of the MDTQ's applicable to each primary receipt point. The sum of the MDTQ's applicable to each primary delivery point shall also equal the Contract MDTQ, net of applicable Transportation Fuel and Company Use Retention and Transportation LAUF Retention.

- 2.4 Subject to the provisions of this FT-S Rate Schedule, Transporter will:
 - (a) accept natural gas tendered by Shipper at a secondary receipt point, and
 - (b) deliver natural gas for the Shipper's account at a secondary delivery point;

provided that such acceptance or delivery would not impair Transporter's ability to provide firm transportation (to another Shipper from a firm primary receipt point or to a firm primary delivery point) or firm storage service, and provided further that any such delivery point(s) are equipped with measurement, control and communication equipment required for firm delivery points. Use of secondary receipt and delivery points by FT-S Shippers shall be superior to the use of such points by interruptible shippers.

- 2.5 Shipper may request Transporter to receive, transport, and deliver quantities of natural gas in excess of Shipper's MDTQ on any day under the FT-S Service Agreement. In such case, Transporter will determine whether the delivery capacity of its system will permit such receipt, transportation, and delivery without impairing the ability of Transporter to meet its other delivery obligations. Deliveries pursuant to such scheduled overrun transportation shall be subordinated to all firm transportation and firm storage services and shall be scheduled, together with transportation under Rate Schedule IT.
- 2.6 Service under this FT-S Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Transporter.
- 2.7 A shipper receiving service under this FT-S Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.

2.8 The FT-S Service Agreement (or for service agreements in effect as of June 1, 2002, Appendix B to Transporter's June 14, 2002, filing in compliance with Order No. 637) shall indicate the transportation path through Transporter's system between Shipper's primary receipt and delivery point(s), and the receipt and delivery points located along the transportation path that are eligible as primary or secondary receipt or delivery points. Upon implementation of Transporter's new business system, Shipper may simultaneously nominate for and/or release its capacity in two or more segments along its transportation path, provided that the combined nominated and/or released quantities do not exceed Shipper's Contract MDTQ (or the portion thereof identified to a particular transportation path) in any such segment. Each such segment must be bounded by a primary receipt point and a delivery point eligible under Section 1.5 hereof or two delivery points eligible under Section 1.5 hereof. While any such segmented service is being provided to Shipper or its Replacement Shipper (as defined in Section 10 of the General Terms and Conditions) on a primary or secondary basis, neither Shipper nor its Replacement Shipper shall be eligible to use receipt or delivery points that are not located along the transportation path. The Commodity Charge (set forth in Section 3.2(a) hereof) the Transportation Fuel and Company Use Retention, and the Transportation LAUF Retention (both set forth in Section 3.3 hereof) shall be applied to each segmented service.

Notwithstanding Section 1.4(a) and (b) of this FT-S Rate Schedule, the establishment of a new primary receipt or delivery point along Shipper's transportation path for Shipper or its Replacement Shipper (as defined in Section 10 of the General Terms and Conditions) shall not require the reassignment of the Shipper's Contract MDTQ among its existing and new primary points unless Transporter's ability to provide firm service at the existing points relies upon operational conditions that would be changed in the establishment of the new primary point.

Subject to the limitations set forth above, Shipper's segmentation rights shall include the ability for Shipper or its replacement shippers to nominate a forwardhaul and a backhaul transportation to the same delivery point; provided that, with respect to gas flowing opposite to the direction that gas flows from Shipper's primary receipt point(s) to its primary delivery point(s), deliveries at such point (even if a primary point) shall have the priority set forth at Section 13.2(a)(iv) or 13.2(b)(iv) of the General Terms and Conditions, as applicable.

- 2.9 Reserved for future use.
- 2.10 Reserved for future use.
- 2.11 Transporter shall not be required to receive or deliver gas at a receipt or delivery point where the total quantity of gas for transportation scheduled is less than that required to operate existing measurement facilities at such point.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for service under this rate schedule are set forth in the currently effective Section 4.010 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Reservation Charge</u>. A charge per month per Dth of Contract MDTQ.
 - (b) <u>Commodity Charge</u>. A charge per Dth for all gas delivered by Transporter during the billing month, except gas delivered into storage for subsequent transportation by Transporter upon withdrawal and gas delivered into a Market Pool established in accordance with the MPPAS Rate Schedule.
 - (c) <u>Interruptible Gathering ("IG") Charge</u>. In the event that Transporter transports Shipper's gas through any pipeline facilities, classified as gathering, a charge per Dth as set forth in Section 4.010 for all gas transported through such facilities during the billing month. Gas transported through the meters shown in the list updated from time to time on Transporter's web site, shall be subject to the interruptible gathering rate.

The maximum IG rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the interruptible gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

(d) An amount to reimburse Transporter for filing fees paid to the Commission associated with the transportation service.

- (e) An amount to reimburse Transporter for the cost of any new facilities installed by Transporter to receive or deliver natural gas for the account of Shipper; including, but not limited, to equipment sufficient to provide Transporter with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system.
- 3.3 Except as provided in this section, Transporter will retain the (a) percent of receipts set forth in Section 4.010 as "Transportation Fuel and Company Use Retention" and the percent of receipts set forth in Section 4.010 as "Transportation LAUF Retention". Transporter may from time to time determine point pairs on its system where the Transportation Fuel and Company Use Retention will not be applied to a particular transaction ("Zero Fuel Point Pair Transactions"). Zero Fuel Point Pair Transactions will be determined by a review of projected system flows and the indication that on an aggregate basis no incremental Fuel or Company Use will be required to facilitate those transactions. Transporter will post on its Web Site point pairs where the Transportation Fuel and Company Use Retention shall be zero, the quantity eligible for such treatment, and the term of such eligibility. To the extent that more requests for Zero Fuel Point Pair Transaction capacity are received than Transporter has eligible capacity, such capacity will be awarded pursuant to Section 13.2 of the General Terms and Conditions. If Transporter later determines that incremental Transportation Fuel and Company Use is required to facilitate a transaction that had previously been identified as not requiring incremental Transportation Fuel and Company Use, Transporter will post such information to its web site and will require Transportation Fuel and Company Use reimbursement on a going forward basis; provided, however, Transporter will continue to honor any Zero Fuel Point Pair Transactions with respect to primary receipt and delivery points for the shorter of (a) the term of the commitment as posted on Transporter's web site or (b) the primary term of Shipper's service agreement.
 - (b) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on quantities scheduled for delivery into a Market Pool established under the MPPAS Rate Schedule.

- 3.4 Except as provided by valid rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.010; however, nothing precludes Transporter from charging a rate between the maximum and minimum rate for service under this Rate Schedule as set forth in Section 4.010.
- 3.5 <u>Overrun Transportation</u>: For each Dth of gas delivered by Transporter on any day in excess of Shipper's Contract MDTQ (whether or not scheduled), Shipper shall pay Transporter the applicable rate for Overrun Transportation set forth in Section 4.010 of this tariff.
- 3.6 <u>Reservation Charge Credits</u>:
 - General Rule and Applicability: In the event Transporter is unable (a) to make deliveries of the quantity of gas to which Shipper has firm entitlements on any day under an FT-S service agreement and to which Shipper has nominated for delivery from a primary receipt point to a primary delivery point under such agreement in accordance with this tariff and stands ready to deliver to Transporter in accordance with this tariff, Transporter shall provide a reservation charge credit applicable to the quantity of gas that was nominated and confirmed by Shipper's supplier or upstream pipeline, net of applicable retentions for Transportation LAUF and Transportation Fuel and Company Use, but not delivered; provided, however, Transporter shall not be relieved of the obligation to provide a credit for failure to confirm a nomination for reasons within its control. Subject to Section 3.6(b), the quantity of gas to which the credit shall apply shall be determined as follows:
 - (i) when Transporter has given notice of the unavailability of service at least twenty-four (24) hours prior to the 11:30 a.m. deadline for nominations leaving control of the nominating party in the Timely Nomination Cycle, pursuant to Section 13.1(a) of the General Terms and Conditions, (A) the lesser of the applicable MDTQ or the average of daily quantities nominated and confirmed from Shipper's primary receipt point to the Shipper's primary delivery point during the most recent seven (7) days preceding the date service became unavailable, during which service was available, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper; or

- (ii) when Transporter has given notice as specified in Section 3.6(a)(i), (A) the lesser of the applicable MDTQ or the quantity Shipper has nominated in accordance with this tariff, and which has been confirmed by Shipper's supplier or upstream pipeline, for the day, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper;
- (b) Exceptions and Clarifications: Transporter shall not be obligated to provide a reservation charge credit with respect to quantities
 - nominated by Shipper and subsequently delivered by Transporter at another primary or secondary delivery point during the day; provided that Shipper will not be obligated to submit nominations to another delivery point;
 - (ii) that Transporter is unable to schedule at a primary receipt or delivery point due to the allocation of capacity to a Shipper that was properly scheduled in an earlier nomination cycle that is not subject to reduction or "bumping" in the current cycle;
 - (iii) that Transporter delivered at the primary delivery point but were not allocated to Shipper because other shippers without primary firm priority at the point were ranked higher than Shipper under the applicable allocation method for the point;
 - (iv) that Transporter is unable to schedule or deliver due to a failure or inadequacy of supply, transportation or market upstream or downstream of Transporter's system, provided that this clause (iv) shall not apply when Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, affecting Transporter and an upstream or downstream pipeline;
 - (v) that Transporter does not accept at a primary receipt point in accordance with the Section 2 of the General Terms and Conditions (Gas Quality);
 - (vi) that Shipper elected not to receive at a primary delivery point, except when it refuses to accept deliveries because of

Transporter's failure to meet its obligations under this tariff; or

- (vii) not delivered at a primary delivery point due to scheduled work on Transporter's facilities if Transporter and Shipper have mutually coordinated the timing of the scheduled work and the work is performed in accordance with that schedule.
- (c) Calculation of the Credit:
 - (i) When Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by 28.00% of the reservation charge (the portion representing return on equity and related taxes) shown on the table appearing in Part 4 of this tariff, expressed as a daily rate (*i.e.*, the reservation charge times 12 (months) and then divided by 365 (days)); provided, however, that for discounted rate agreements, the credit shall be based on 100% of the portion of the contractual reservation rate, if any, that exceeds 72.00% of the maximum recourse rate, unless otherwise agreed to in writing by Transporter and Shipper.
 - (ii) When Transporter's inability to deliver gas is due to Transporter's scheduling of necessary maintenance and repair of facilities, the tie-in of new facilities, or other causes, excepting the circumstances addressed in Section 3.6(c)(i), the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by the contractual reservation rate, expressed as a daily rate (*i.e.*, the reservation rate times 12 (months) and then divided by 365 (days)).
 - (iii) Any reservation charge credit will be reflected on the Shipper's monthly invoice and will be applied first to any balances owed by Shipper.
 - (iv) For capacity release transactions, reservation charge credits applicable to the Replacement Shipper shall be determined in accordance with Section 3.6(c)(i) or 3.6(c)(ii), as applicable,

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provided that the contractual reservation rate utilized in calculating any applicable credits shall be the lower of the contractual reservation rate of the Releasing Shipper or the contractual reservation rate of the Replacement Shipper. If the Replacement Shipper is paying a volumetric rate, no reservation charge credit will be provided. Billing credits applicable to the Releasing Shipper pursuant to GT&C Section 10.9 shall be calculated without regard to any reservation charge credits provided to the Replacement Shipper pursuant to this Section 3.6. Under no circumstances shall the total of the reservation charge credit exceed the reservation charge Shipper would have paid absent a capacity release or segmentation by Shipper.

- (v) For a two-year transitional period beginning April 28, 2013, reservation charge credits associated with outages that are required to comply with orders issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Section 60139(c) of Title 49 of the United States Code, shall be calculated in accordance with clause (i) of this Section 3.6(c). Notices of outages pursuant to this section shall identify the specific PHMSA order with which Transporter is complying.
- 3.7 <u>Minimum Monthly Bill</u>: The minimum monthly bill shall be the Reservation Charge.

4. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this rate schedule. National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

EFT RATE SCHEDULE Enhanced Firm Transportation Service

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for transportation service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") for any person (hereinafter called "Shipper") provided that: (i) capacity is available on all portions of Transporter's system (including primary receipt and delivery points) necessary to provide service on a firm basis throughout the requested term; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for firm transportation service under this EFT Rate Schedule in the form contained in this tariff; and (iii) said service complies with the terms and conditions of this EFT Rate Schedule.
- 1.2 For purposes of determining the availability of service in processing requests for service hereunder, Transporter shall not grant any said request for transportation service: (i) for which capacity is not available on any portion of its system necessary to provide such service on a firm basis; (ii) which could in Transporter's judgment interfere with the integrity of its system, or service to existing firm transportation or storage customers; or (iii) if such service does not comply with this EFT Rate Schedule or the EFT Service Agreement. Transporter shall not be required to grant any said request for transportation service which would require the construction, modification, expansion or acquisition of any facilities. Availability of service is also subject to Section 31 of the General Terms and Conditions Qualification for Service.
- 1.3 While a determination of capacity on Transporter's system is reported once each year, on March 1st, in accordance with Section 284.13(d)(2) of the Commission's regulations, determination of available firm capacity on Transporter's system shall be made from time to time as capacity becomes available or as requests for service are received hereunder. Subject to Sections 10, 11 and 26 of the General Terms and Conditions of this tariff, in processing requests for service hereunder, Transporter shall allocate any available firm capacity to persons which make a valid request under Section 31 of the General Terms and Conditions, on a first come, first served basis determined as of the date Transporter received a valid request.
- 1.4 Upon the request of Shipper, firm primary delivery or receipt points may be added or deleted from time to time provided Transporter can provide

service at such points on a firm basis. The availability of service at secondary receipt and delivery points is described in Section 2.4 hereof.

- (a) Availability of service at new primary receipt and delivery point(s) will be subject to the provisions of this Section 1.
- (b) A request for a change in primary receipt or delivery points shall be set forth on Transporter's Service Request Form, however, the information specified in subsections (c) and (f) of Section 31.1 of the General Terms and Conditions may be omitted.
- (c) A change will not be made to a primary receipt or delivery point if such change would require capacity that is posted for bidding under Section 26 of the General Terms and Conditions, unless such capacity remains available at the end of the posting period.
- 1.5 In addition to the information specified in Section 31 of the General Terms and Conditions, a request for service under this rate schedule shall include the following:
 - (a) <u>Gas Quantities</u>: The Contract Maximum Daily Transportation Quantity desired and the quantities of gas desired at each receipt and delivery point, including Transporter's storage fields.
 - (b) <u>Receipt/Delivery Points</u>: The designated Receipt Point(s) and Delivery Point(s) for the requested transportation together with the name of the entity delivering the gas to Transporter and the name of the entity to receive the gas from Transporter.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The transportation service provided under this EFT Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the EFT Service Agreement, Subpart 284B of such regulations. This EFT Rate Schedule shall apply to all gas transported by Transporter for Shipper pursuant to an EFT Service Agreement. This EFT Rate Schedule, in conjunction with the ESS Rate Schedule, sets forth the terms and conditions of the "no-notice" transportation service required by Commission Order No. 636 et seq.
- 2.2 Service hereunder shall be provided on a firm basis. However, service may be interrupted for any of the reasons set out in Section 8 of the General Terms and Conditions hereof, or whenever necessary to maintain gas quality or the integrity of Transporter's system. Service hereunder is also subject to the availability of any necessary upstream or downstream transportation, which shall be the responsibility of Shipper to arrange.
- 2.3 Service hereunder shall consist of the receipt by Transporter of natural gas tendered by Shipper for transportation at the primary receipt point(s) specified in the EFT Service Agreement, or at secondary receipt points as described in Subsection 2.4, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas, after reductions as set out in the EFT Service Agreement and Section 3 of this EFT Rate Schedule, by Transporter to Shipper or for Shipper's account at the primary delivery points specified in the EFT Service Agreement, or at secondary delivery points as described in Subsection 2.4 and Section 2.14 hereof, Shipper shall have no right:
 - (a) to tender quantities of gas in excess of the sum of the Contract Maximum Daily Transportation Quantity (MDTQ) on any day at any combination of receipt points and the Transportation Fuel and Company Use Retention and Transportation LAUF Retention applicable to such quantity.
 - (b) to tender any quantities of gas at receipt points other than storage facilities utilized by Transporter while Shipper has an Excess Storage Balance for purposes of Section 2.13 of the ESS Rate Schedule.

- (c) to tender quantities of gas in excess of the receipt entitlements applicable to a receipt point or combination of receipt points, or
- (d) to take delivery of quantities of gas in excess of the Contract MDTQ on any day at any combination of delivery points.
- 2.4 Subject to the provisions of this EFT Rate Schedule, Transporter will:
 - (a) accept natural gas tendered by Shipper at a secondary receipt point, and
 - (b) deliver natural gas for the Shipper's account at a secondary delivery point,

provided that such acceptance or delivery would not impair Transporter's ability to provide firm transportation (to another Shipper from a firm primary receipt point or to a firm primary delivery point) or firm storage service.

- 2.5 If the EFT Service Agreement links certain receipt entitlements (or portions thereof) with a delivery point or a combination of delivery points, the linked delivery point or point combination shall be regarded as a primary point only with respect to gas nominated for receipt, within such receipt entitlements (or portions thereof), at the receipt points associated with such entitlements, and a delivery point or point combination not linked with such receipt entitlements shall be regarded as a secondary point.
- 2.6 A shipper receiving service under this EFT Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.
- 2.7 Service under this EFT Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Seller.
- 2.8 Transporter's storage fields (in the aggregate) may be utilized as a firm primary receipt and delivery point under an EFT Service Agreement. Transporter's storage fields shall not be considered a firm primary receipt or delivery point for purposes of Section 2.4 of this EFT Rate Schedule.
- 2.9 With regard to receipts of gas from an upstream pipeline source that is comprised of more than one receipt point (e.g., Tennessee Gas Pipeline

Company, Zone 4 points) an EFT Shipper shall nominate for a receipt by Transporter of a stated quantity of gas from such source. Transporter shall determine the distribution of the nominated quantity among the receipt points within the zone.

- 2.10 Transporter shall not be required to accept nominations from Shipper for an arrangement of receipts and deliveries among receipt and delivery points that would conflict with the Operating Protocol for EFT Service set forth at Section 4 hereof. In addition, Transporter may reject nominations, require revised nominations, issue operational flow orders or take such other action as is reasonably required to:
 - (a) protect any of Transporter's facilities from excessive pressures or other similar threats to the integrity of its system,
 - (b) permit Transporter to fulfill the delivery obligations set forth in the Operating Protocol for EFT Service set forth at Section 4 hereof, and its other firm obligations, and
 - (c) permit Transporter to inject or withdraw gas from individual storage fields in a manner consistent with the performance characteristics of such fields.

Transporter shall, as soon as is reasonably practicable, notify the Commission and post on its web site the circumstances and justifications for any actions taken pursuant to the second sentence of this Subsection 2.10.

2.11 Until a notification is received from Transporter that Shipper must bring receipts and deliveries into contemporaneous balance, and for twelve (12) hours thereafter, Shipper may receive gas in excess of the quantities scheduled for delivery by Transporter to Shipper up to the difference between Shipper's Contract MDTQ and the quantities scheduled for delivery by Transporter to Shipper. Within forty-eight (48) hours of receipt of notification from Transporter that Shipper must return the quantities of gas advanced by Transporter to Shipper pursuant to the foregoing sentence, Shipper must return such quantities of gas. An EFT Shipper shall not be entitled to receive gas under this Section 2.11 within such notification period. Section 15 of the General Terms and Conditions shall apply when Shipper fails to return such quantities of gas as required by Transporter. Availability of gas to all EFT Shippers under this Section 2.11 on any day shall be limited to the difference between sixty-five one hundredths of one percent (0.65%) of Transporter's total storage inventory (including top and

base gas) on such day and scheduled withdrawals from Transporter's storage facilities under the ESS and SS-1 Rate Schedules.

- 2.12 Upon the implementation of the necessary changes to Transporter's business system, a shipper with a firm primary delivery point at an interconnection between Transporter's system and the facilities of another interstate pipeline may nominate for deliveries into the firm transportation contract of another shipper of Transporter with a firm primary receipt point at the same interconnection. Subject to the quantity limitations applicable to the point under the delivering and receiving shippers' contracts, the nominated delivery shall be accorded primary firm priority for purposes of scheduling under Section 13.2 and curtailment under Section 16.1 of the General Terms and Conditions.
- 2.13 Upon the implementation of the necessary changes to Transporter's business system, a shipper with a firm primary receipt point at an interconnection between Transporter's system and the facilities of another interstate pipeline may nominate for receipts from the firm transportation contract of another shipper of Transporter with a firm primary delivery point at the same interconnection. Subject to the quantity limitations applicable to the point under the delivering and receiving shippers' contracts, the nominated receipt shall be accorded primary firm priority for purposes of scheduling under Section 13.2 and curtailment under Section 16.1 of the General Terms and Conditions.
- 2.14 Shipper may request Transporter to receive, transport, and deliver quantities of natural gas in excess of Shipper's Contract MDTQ or receive quantities of gas at any receipt point or combination thereof in excess of the receipt entitlement applicable to such receipt point or combination thereof on any day under the EFT Service Agreement. In such case, Transporter will determine whether the delivery capacity of its system will permit such receipt, transportation, and delivery without impairing the ability of Transporter to meet its firm delivery obligations. Deliveries pursuant to such scheduled overrun transportation shall be subordinated to all firm transportation and firm storage services and shall be scheduled, together with transportation under Rate Schedule IT.
- 2.15 The maps and tables appearing in Part 3.030 of this tariff will be used to determine which (if any) of the Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule will be considered to lie between Shipper's primary receipt and delivery points, for purposes of scheduling and curtailment.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for service under this rate schedule are set forth in the currently effective Section 4.010 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Reservation Charge</u>. A charge per month per Dth of Contract MDTQ.
 - (b) <u>Commodity Charge</u>. A charge per Dth for all gas delivered by Transporter during the billing month, except gas delivered into storage for subsequent transportation by Transporter upon withdrawal and gas delivered into a Market Pool established in accordance with the MPPAS Rate Schedule.
 - (c) <u>Firm Gathering ("FG") Reservation Charge</u>. A charge per month per Dth of FG Reservation determinants. Where the FG Reservation Charge is applicable, the Reservation Charge shall be reduced by subtracting the FG Reservation determinants from the Contract MDTQ. The FG Reservation determinants are as follows:

National Fuel Gas Distribution Corporation: 5,352 Dth/Day

The maximum FG reservation rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the firm gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

(d) <u>Firm Gathering ("FG") Commodity Charge</u>. A charge per Dth for all gas delivered by Transporter during the billing month at delivery points located on Transporter's gathering facilities to Shippers subject to the FG Reservation Charge. The FG Commodity Charge shall apply in lieu of the Commodity Charge with respect to such deliveries. The maximum IG Charge shall apply to any overruns of the Shipper's maximum monthly reservation determinants.

(e) <u>Interruptible Gathering ("IG") Charge</u>. In the event that Transporter transports Shipper's gas through any pipeline facilities, classified as gathering, a charge per Dth as set forth in Section 4.010 for all gas transported through such facilities during the billing month. Gas transported through the meters shown in the list updated from time to time on Transporter's web site, shall be subject to the interruptible gathering rate.

The maximum IG rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the interruptible gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

- (f) An amount to reimburse Transporter for filing fees paid to the Commission associated with the transportation service.
- (g) An amount to reimburse Transporter for the cost of any new facilities installed by Transporter to receive or deliver natural gas for the account of Shipper.
- 3.3 Except as provided in this section, Transporter will retain the percent of receipts set forth in Section 4.010 as "Transportation Fuel and Company Use Retention" and the percent of receipts set forth in Section 4.010 as "Transportation LAUF Retention".
 - (a) Transporter may from time to time determine point pairs on its system where the Transportation Fuel and Company Use Retention will not be applied to a particular transaction ("Zero Fuel Point Pair Transactions"). Zero Fuel Point Pair Transactions will be determined by a review of projected system flows and the indication that on an aggregate basis no incremental Transportation Fuel or Company Use will be required to facilitate those transactions. Transporter will post on its web site point pairs where the Transportation Fuel and Company Use Retention shall be zero, the quantity eligible for such treatment, and the term of such

eligibility. To the extent that more requests for Zero Fuel Point Pair Transaction capacity are received than Transporter has eligible capacity, such capacity will be awarded pursuant to Section 13.2 of the General Terms and Conditions. If Transporter later determines that incremental Transportation Fuel and Company Use is required to facilitate a transaction that had previously been identified as not requiring incremental Transportation Fuel and Company Use, Transporter will post such information to its web site and will require Transportation Fuel and Company Use reimbursement on a going forward basis; provided, however, Transporter will continue to honor any Zero Fuel Point Pair Transactions with respect to primary receipt and delivery points for the shorter of (a) the term of the commitment as posted on Transporter's web site or (b) the primary term of Shipper's service agreement.

- (b) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on quantities received directly from Transporter's storage fields, if such quantities were immediately prior to such receipt stored by Transporter under a firm storage agreement.
- (c) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on quantities scheduled for delivery into a Market Pool established under the MPPAS Rate Schedule.
- 3.4 Except as provided by valid rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.010; however, nothing precludes Transporter from charging a rate between the maximum and minimum rate for service under this Rate Schedule as set forth in Section 4.010.
- 3.5 <u>Overrun Transportation</u>: For each Dth of gas delivered by Transporter on any day in excess of Shipper's Contract MDTQ (whether or not scheduled), Shipper shall pay Transporter the applicable rate for Overrun Transportation set forth in Section 4.010 of this tariff.

3.6 <u>Reservation Charge Credits</u>:

- General Rule and Applicability: In the event Transporter is unable (a) to make deliveries of the quantity of gas to which Shipper has firm entitlements on any day under an EFT service agreement and to which Shipper has nominated for delivery from a primary receipt point to a primary delivery point under such agreement in accordance with this tariff and stands ready to deliver to Transporter in accordance with this tariff. Transporter shall provide a reservation charge credit applicable to the quantity of gas that was nominated and confirmed by Shipper's supplier or upstream pipeline, net of applicable retentions for Transportation LAUF and Transportation Fuel and Company Use, but not delivered; provided, however, Transporter shall not be relieved of the obligation to provide a credit for failure to confirm a nomination for reasons within its control. Subject to Section 3.6(b), the quantity of gas to which the credit shall apply shall be determined as follows:
 - (i) when Transporter has given notice of the unavailability of service at least twenty-four (24) hours prior to the 11:30 a.m. deadline for nominations leaving control of the nominating party in the Timely Nomination Cycle, pursuant to Section 13.1(a) of the General Terms and Conditions, (A) the lesser of the applicable MDTQ or the average of daily quantities nominated and confirmed from Shipper's primary receipt point to the Shipper's primary delivery point during the most recent seven (7) days preceding the date service became unavailable, during which service was available, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper; or
 - (ii) when Transporter has not given notice as specified in Section 3.6(a)(i), (A) the lesser of the applicable MDTQ or the quantity Shipper has nominated in accordance with this tariff, and which has been confirmed by Shipper's supplier or upstream pipeline, for the day, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper;

- (iii) (A) the applicable MDTQ less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper;
- (b) Exceptions and Clarifications: Transporter shall not be obligated to provide a reservation charge credit with respect to quantities
 - nominated by Shipper and subsequently delivered by Transporter at another primary or secondary delivery point during the day; provided that Shipper will not be obligated to submit nominations to another delivery point;
 - (ii) that Transporter is unable to schedule at a primary receipt or delivery point due to the allocation of capacity to a Shipper that was properly scheduled in an earlier nomination cycle that is not subject to reduction or "bumping" in the current cycle;
 - (iii) that Transporter delivered at the primary delivery point but were not allocated to Shipper because other shippers without primary firm priority at the point were ranked higher than Shipper under the applicable allocation method for the point;
 - (iv) that Transporter is unable to schedule or deliver due to a failure or inadequacy of supply, transportation or market upstream or downstream of Transporter's system, provided that this clause (iv) shall not apply when Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, affecting Transporter and an upstream or downstream pipeline;
 - (v) that Transporter does not accept at a primary receipt point in accordance with the Section 2 of the General Terms and Conditions (Gas Quality);
 - (vi) that Shipper elected not to receive at a primary delivery point, except when it refuses to accept deliveries because of Transporter's failure to meet its obligations under this tariff;
 - (vii) not delivered at a primary delivery point due to scheduled work on Transporter's facilities if Transporter and Shipper have mutually coordinated the timing of the scheduled work

and the work is performed in accordance with that schedule; or

- (viii) associated with a nomination rejected by Transporter in accordance with Section 2.10 of this EFT Rate Schedule; provided that this clause (viii) does not address the curtailment of flowing quantities.
- (c) Calculation of the Credit:
 - (i) When Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by 28.00% of the reservation charge (the portion representing return on equity and related taxes) shown on the table appearing in Part 4 of this tariff, expressed as a daily rate (*i.e.*, the reservation charge times 12 (months) and then divided by 365 (days)); provided, however, that for discounted rate agreements, the credit shall be based on 100% of the portion of the contractual reservation rate, if any, that exceeds 72.00% of the maximum recourse rate, unless otherwise agreed to in writing by Transporter and Shipper.
 - (ii) When Transporter's inability to deliver gas is due to Transporter's scheduling of necessary maintenance and repair of facilities, the tie-in of new facilities, or other causes, excepting the circumstances addressed in Section 3.6(c)(i), the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by the contractual reservation rate, expressed as a daily rate (*i.e.*, the reservation rate times 12 (months) and then divided by 365 (days)).
 - (iii) Any reservation charge credit will be reflected on the Shipper's monthly invoice and will be applied first to any balances owed by Shipper.
 - (iv) For capacity release transactions, reservation charge credits applicable to the Replacement Shipper shall be determined in accordance with Section 3.6(c)(i) or 3.6(c)(ii), as applicable,

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provided that the contractual reservation rate utilized in calculating any applicable credits shall be the lower of the contractual reservation rate of the Releasing Shipper or the contractual reservation rate of the Replacement Shipper. If the Replacement Shipper is paying a volumetric rate, no reservation charge credit will be provided. Billing credits applicable to the Releasing Shipper pursuant to GT&C Section 10.9 shall be calculated without regard to any reservation charge credits provided to the Replacement Shipper pursuant to this Section 3.6. Under no circumstances shall the total of the reservation charge credit exceed the reservation charge Shipper.

- (v) For a two-year transitional period beginning April 28, 2013, reservation charge credits associated with outages that are required to comply with orders issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Section 60139(c) of Title 49 of the United States Code, shall be calculated in accordance with clause (i) of this Section 3.6(c). Notices of outages pursuant to this section shall identify the specific PHMSA order with which Transporter is complying.
- 3.7 <u>Minimum Monthly Bill</u>: The minimum monthly bill shall be the Reservation Charge.

4. <u>OPERATING PROTOCOL FOR EFT SERVICE</u>

4.1 <u>Capacities of Segments of Transporter's System</u>

Segment	Capacity (MMCFD)
<u>NEW YORK</u>	
Line U (Porterville-Country Parkway)	229
Line U (Country Parkway-Vicksburg)	189
Line X TGP (Clarence-Nash Road)	132
Line X (Ellisburg-TGP Clarence)	166
Lino DV (Dortorvillo Arcado)	11

Line PY (Porterville-Arcade)	11
Line PY (Line Z-20-Arcade)	29
Line NM44 (Porterville-Mineral Springs)	83
Line T (Zoar-Line TM2)	155
Line T (Line TM2-Mineral Springs)	252
Line R-M32 (Nashville-Line TM2)	134
Line K (Zoar-Lewis Run)	45
Line K (Zoar-Mineral Springs)	98

PENNSYLVANIA

Line AM60 (Lamont-Roystone)	48*
Line D (Roystone-Lines U & R)	110
Line D (Lines U & R-Erie)	130
Line L (Roystone-Erie)	28
Line FM100 (Overbeck-Boone Mountain)	28
Line M (Henderson-Van)	57
Line M (Van-Overbeck)53	
Line N (Texas Eastern at Holbrook**-	
Columbia at Ellwood City)	81
Line N (Columbia at Ellwood City-Henderson)	58
Line NM50 (Columbia at Ellwood City-TGP Mercer)	118
Line NM44 (TGP Mercer-Henderson)	76
Line K (Overbeck-Lamont)	48
Line K (Lamont-Lewis Run)	37
Line YM52 (Ellisburg-Line YM7)	152
Line YM7 (Line YM52-East Fork)	256
Line KL/YM58 (Line K-Line X)	8
Line GM97/K (Knox-Overbeck)	38

*Capacity allocated to EFT Service. **Formerly located at Bristoria

4.2 <u>Delivery Pressure Requirements</u>

Transporter shall deliver natural gas to Shipper at the point(s) of delivery at the pressures sufficient to effect deliveries of gas to Shipper, provided, however, that Transporter shall not be obligated to deliver gas at pressures greater than the delivery pressure obligations stated in this Section 4.2, subject to any provisions in this tariff which may limit these obligations.

Transporter has heretofore provided service to "scattered accounts" of sales customers. Transporter shall deliver natural gas to "scattered account" customers at the point(s) of delivery at the pressure existing in Transporter's facilities from time to time, provided however, Transporter shall not be obligated to deliver gas at pressures greater than the delivery pressure which has historically existed at the "scattered account" meter(s).

		Pressure Req	uirement (psig)
Meter	Location	Winter	Summer
NSA94AD17	Andover	60	60
NSA91A2313	Angelica	40	40
NSA93AU28	Aurora	50	50
NSA93AU30	Aurora	50	50
NSA93CE02	Caneadea	60	60
NSA93CE01	Caneadea (Houghton)	60	60
NSA93CV01	Centerville	50	50
NSA91A0357	CM3 (Harpan Rd)	55	55
NSA9100309	East Otto	40	40
NSA91A2081	From RM32 to SM2	45	45
NSA91A2074	Gunnville X to U	320	320
NSA92ID01	Hesselton Gully Road	60	60
NSA93JV01	Java	60	60
NSA9100133	Line Gmansfield	66	66
NSA91A0552	Line K North	220	220
NSA9100556	Line PY North NM48	275	200
NSA9100498	Line PY2 East	215	215
NSA91A2083	Line T Coving & Dorr	40	40
NSA91A2082	Line T McKin/Willet	40	40
NSA91A0252	Line T to Hamburg	47	47
NSA91A2312	Line T/Mile Strip Rd	57	57
NSA91A2310	Line T/Seneca Klas	60	60

(a) Interconnections with National Fuel Gas Distribution Corporation (NY)

NSA9100558	Line U North (Porterville)	450	450
NSA9100558 NSA9102069	Line X New Road	430 50	430 50
NSA9102009	Line X to A	124	
NSA9102070	Line X Ton. Creek	50	50
NSA93LV03	Little Valley	30 46	50 46
NSA9100551	Mansfield	40 50	40 50
NSA9100551 NSA9100190	Mineral Spring Sales	50 57	50 57
NSA9100190 NSA91A2073	Nash Road X North	56	56
NSA91A2073	Nash Road X South	56	56
NSA9220851	NM44 Plant Use	50 60	50 60
NSA9220851 NSA91A2087	NM44 Flant Use NM44 to Bowen Road	50	50
NSA91A2087 NSA91A2084	NM44 to Bowen Road NM44 to Commerce Pwy	35	30 35
NSA91A2084 NSA91A0218	NM44 to Commerce Pwy NM44 to Lein Road	55 50	53 50
		30 35	30 35
NSA91A2086	NM44 to Min Springs NM44 to Pound Road	55 44	55 44
NSA91A2080			
NSA93OP40	Orchard Park	50	50
NSA930T04	Otto	47	47
NSA9100554	PY to Line 14	220	200
NSA91A2004	PY to PY 2	124	124
NSA9100499	PY2 West	205	100
NSA91A0364	RM32 to Bethlehem Steel	124	124
NSA91A0365	RM32 to Main Lines	50	50
NSA91A0366	RM32 to Wanakah	50	50
NSA9100064	Salamanca	45	45
NSA9100065	Salamanca	45	45
NSA92SL01	Salamanca	45	45
NSA93SH03	Sheldon (Centerline)	60	60
NSA93SH01	Sheldon (Perry Road)	60	60
NSA93SH02	Sheldon (Varysburg)	60	60
NSA9123111	Supply to CNG Comp	170	170
NSA9100287	To Elma & E Aurora	56	56
NSA9100224	Wanakah Derby Area	55	55
NSA9102071	X to Main & Gunnville	55	55
NSA91A2079	XM3 to Distribution Olean	45	45
NSA9100566	Zoar to Line A	124	124
NSA9100563	Zoar to Line R	60	60
NSS91A0489O	Sheridan Storage to Distribution	195	75

(b) Interconnections with National Fuel Gas Distribution Corporation (PA)

		Pressure Requirement (psig)	
Meter	Location	Winter	Summer
PSA0100712F	Phillipsville from P	225	225
PSA0100712T	Phillipsville to P	225	225
PSA0100871	Roystone Line A	38	38
PSA0100872	McWilliams Station	77	77
PSA0100874	Line H - McWilliams	110	110
PSA0100932	To QM96 Irvine Run	182	140
PSA0101022	Sugar Grove Line R	207	155
PSA0101041	Sugar Grove Line U	260	190
PSA0101070	Picnic Run Line A	35	35
PSA0101080	Stateline Line H	120	90
PSA0101272	Penelec	260	260
PSA0101322F	From QM96 Irvine Run	182	140
PSA0101322T	To QM96 Irvine Run	182	140
PSA0120091	Erie Control Line L	47	20
PSA0120092	Erie Control Line L	47	20
PSA0120093	Erie Control Line D	47	20
PSA0120094	Erie Control Line D	47	20
PSA0225001	Follett Road CG	38	38
PSA0225351	Line B57 To Wetmore	9	9
PSA0225361	Wetmore City Gate	8	8
PSA0225681	Blissville Line C2	8	8
PSA0225681	Blissville Line C2	8	8
PSA0225731	Doolittle Road	22	22
PSA02CWW01	Yankee Bush Road	25	25
PSA02CWW21	Follett Run	20	20
PSA02GLW11	Hemlock	26	26
PSA02GRE11	Barton Road	20	20
PSA02GRE31	Mark Road	34	34
PSA02GRE41	Gunnison Road	28	28
PSA02GRE51	Dutch Road	35	35
PSA02HMM21	Ludlow C.P. (LINE C3)	6 OZ	6 OZ
PSA02WYE41	Beaver Dam	39	39
PSA0300135	Skinner Hill	40	40
PSA0320095	Erie Control	47	20
PSA0320096	Erie Control S42	47	20
PSA0320097	Erie Control S42	47	20

PSA0321581	Warren City Plant	35	35
PSA0322221	Wrightsville	34	34
PSA0324501	Weiler Road	35	35
PSA0324521	Summit to Distribution	34	34
PSA03COE11	North Corry C.P.	37	37
PSA03COE21	Corry Jamestown	37	37
PSA03GRE21	Hammett	35	35
PSA03STW11	Sugar Grove C.P.	38	38
PSA03WYE21	Walker Road	53	53
PSA03WYE22	Walker Road	53	53
PSA0400312	Ludlow City Gate	6 OZ	6 OZ
PSA0422381	RgrTwn Line D W. RT6	24	24
PSA0423671	Ludlow City Plant	6	6
PSA0425741	Clymer Feed	53	53
PSA0426651	Keller Road	25	25
PSA04HMM31	Ludlow C.P. (W1462)	6 OZ	6 OZ
PSA04HMM31	Ludlow C.P. (W1462)	22	22
PSA04VGE11	Lowville	22	22
PSA04VGE12	Lowville	22	22
PSA04VGE21	Wattsburg	22	22
PSA04VGE22	Wattsburg	15	15
PSA04WYE31	Buffalo Road	15	15
PSA1100157F	Hickory (from Q)	220	220
PSA1100157T	Hickory (to Q)	220	220
PSA1100158	Hickory (Endeavor)	50	50
PSA1100970A	Brown Hill	35	35
PSA1101062T	Line TM2 to Miola	75	30
PSA1101440	Sta T715 Mercer	390	280
PSA1101441	Sta T715 Mercer	390	280
PSA1101693	Coder Sales	90	90
PSA1121031	Reynoldsville Comp.	230	230
PSA1200901	Fisher Sales	10	10
PSA1200962	Lake Latonka E. Side	35	35
PSA1200963	Lake Latonka W. Side	30	30
PSA1201064	Shephard of the Hill	13	13
PSA1201088	Wilcox Sales	22	22
PSA1201290	TM211 to T5/T9	8	8
PSA1220071	Clarington Sales	24	24
PSA1220081	Line K182 to Distribution	24	24
PSA1220111	Production Gas F52	48	48
PSA1221252	TM6 to T28	10	6
PSA1223031	Sales to RM24	10	10
PSA1225101	E.Brady Distribution to P101	10	8
		* •	5

PSA1225321	Line F4 to Distribution	11	5
PSA1225521 PSA1225621	TW 3393 to Distribution	230	230
PSA1223021 PSA1300387	Sugar Hill Dump	230	230 230
PSA1300832	Penfield Bennett	230 50	230 50
PSA1300905	Marienville CP	30 46	50 46
PSA1301218	Miola Sales	40 31	40 31
PSA1301374	Brockway FM100 & F98	200	200
PSA131155A	Clarion City Plant	42	42
PSA1311771	FM120 Feed to VM71	120	120
PSA1321081	Henderson to Distribution	164	120 164
PSA1321082	Henderson to Distribution	164	164
PSA1322453	Lewis Run K TO C	140	140
PSA1322455	Line A Lewis Run	140	140
PSA1322461	NM44 - SM14	170	140
PSA1324941	Particleboard Plant	44	44
PSA1325071	Federal Prison	21	21
PSA1325072	Federal Prison	21	21
PSA1325561	Island Run to Dist.	250	250
PSA1325562	Island Run to Dist.	150	150
PSA1325801	Van Line M	230	200
PSA1325802	Van Line M	230	200
PSA1325931	Maloney Farm K to C	135	135
PSA1326341	Borden Products	155	15
PSA1401143	Brown Hill	35	35
PSA1401148	Carpenter Station	18	18
PSA1401213	SIGEL SALES	20	20
PSA1401216	Sigel City Sales	20 31	31
PSA1401233	Westline	26	26
PSA1401248	Clermont FM120	33	33
PSA1401525	Highland Sales	12	12
PSA1424121	Wishaw	20	20
PSA1424421	Clarion Line T5	10	10
PSA1424431	Limestone Line T119	10	10
PSA1424441	Line T5 to Dist.	10	10
PSA1424711	GM97 Sheep Farm Rd	38	38
PSA1425011	Marvindale Line B20	13	14
PSA1425121	KW 3804 to Dist.	8	4
PSA1425551	QM95 to K182	20	20
PSA1426191	G110 to Dist.	28	28
PSS111086	Boone Mtn Storage	200	200
PSS110045O	St Mary's Storage	90	-
PSS0101059	Summit Storage	350	-
PSA0324521	Summit Storage	36	25
	č		

		Pressure Requirement (psig)	
Meter	Location	Winter	Summer
<u>Interer</u>	Location	vv inter	Guilliner
PSN0300659	Northeast Heat&Light	38	38
PSN0300659	Northeast Heat&Light	38	38
PSN1202061	Eastern Natural Gas	48	48
PSN1202062	Eastern Natural Gas	48	48
PSN1300631	Peoples Nat. Gas(SR)	489	394
PSN1302081	Eastern Natural Gas	160	160
PSN1322481	Peoples Nat. Gas(GC)	160	160
PSN1322501	Peoples Nat. Gas(SB)	60	60
PSN1322631	Eastern Natural Gas	300	300
PSN1322641	Eastern Natural Gas	150	160
PSN1400233	Peoples (Bullion)	12	12
PSN1400597	Peoples Nat. Gas(SB)	30	30
PSN1400763	CRG (Emergency)	18	12
PSN1400764	CRG (Sigel)	10	10
PSN1401256	CRG (Hominy Ridge #1)	18	12
PSN1401257	CRG (Hominy Ridge #2)	18	12
PSN1406285	CRG (Greenwood)	20	20
PSN1433511	CRG (HP Tap #3351)	4 OZ	4 OZ
PSN1444319	CRG (Edeburn)	15	15
PSNENG0001E	Natural Addison Av	45	45
PSNENG0002E	Natural Buckeye Dr	47	47
PSNENG0003E	Natural 5 Points	47	47
PSNENG0004E	Natural 5 Points	47	47
NSN92CE04	Rushford Sales	200	150
PPPTRN0001F	Transco Wharton	600	600

(c) Deliveries to or for the account of other EFT shippers

4.3 <u>Receipt Requirements</u>

(a) At the following delivery points to National Fuel Gas Distribution Corporation, requirements are served by upstream pipeline connections which feed directly to the Shipper's market. In these specific cases, Transporter has no facilities through which to replace or supplement natural gas deliveries, and the Shipper is restricted to the pressures and quantities available from such upstream pipelines, with whom National Fuel Gas Distribution Corporation will contract directly for transportation service. Transporter's delivery obligation at such points will also be limited by station capacities, which are listed below.

			Pressure	
Interconnecting			Requirement	Capacity
Pipeline	Meter Name/Location	Meter	PSIG	DT/DAY
EGTS*	Belmont	60185	125	2060
EGTS	Caledonia	60154	200	15450
EGTS	Donovan	60178	300	41200
EGTS	Johnsonburg	60047	200	030
EGTS	Sanford	60181	175	20600
EGTS	Silver Springs	60049	200	5150
EGTS	West Wellsville	60179	200	10300
EGTS	Wyoming	60050	300	20600
Somerset Gas Gathering				
of Pennsylvania	Smethport	630202	100	3100
Tennessee Gas Pipeline	Cochranton	2-0314	400	20600
Tennessee Gas Pipeline	Cranberry Sales	2-0703	400	36050
Tennessee Gas Pipeline	Lewiston	2-0092	200	6000
Tennessee Gas Pipeline	Mayville	2-0088	200	10300
Tennessee Gas Pipeline	Sharon	2-0069	400	70000
Tennessee Gas Pipeline	Pekin	2-0326	200	51500
Tennessee Gas Pipeline	Pettis	2-0071	400	30900
Tennessee Gas Pipeline	Sherman	2-0428	200	4120
Tennessee Gas Pipeline	Townville	2-0390	400	10300
Tennessee Gas Pipeline	Union City	2-0200	200	20600

*EGTS = Eastern Gas Transmission and Storage, Inc.

(b) Transporter's delivery pressure obligations set forth in Section 4.2 are subject to its Shippers meeting the receipt pressure requirements set forth in this Section 4.3(b). National would attempt, but would not be obligated, to maintain the delivery pressures set forth in Section 4.2 if receipt pressures fall below the requirements set forth in this Section 4.3(b).

			Pressure	
Interconnecting			Requirement	Capacity
Pipeline	Meter Name/Location	Meter	PSIG	DT/DAY
EGTS	Ellisburg Station	60288	975	103000
EGTS	Ellisburg Storage	NFSTG	1000	103000
EGTS	Eshbaugh	51052	400	27810
EGTS	Leidy	4494	1100	50000
EGTS	Leidy	3549	1100	50000
EGTS	Marilla	2-0502	500	12360
EGTS	Porterville	60051	400	139050
Columbia Gas Transmissio	on Ellwood City	690533	700	26780
Columbia Gas Transmissio	on First Fork	632291	500	36050
Columbia Gas Transmissio	on Sugar Grove	617733	350	10300
Columbia Gas Transmissio	on Waterford	620549	500	10300
Tennessee Gas Pipeline	Clarence	2-0497	200	165000
Tennessee Gas Pipeline	Colden Storage	6-0003	700	41200
Tennessee Gas Pipeline	Coudersport	2-0074	400	51500
Tennessee Gas Pipeline	East Aurora	2-0077	200	400000
Tennessee Gas Pipeline	Hamburg (E. Eden) 2-0076	200	82400
Tennessee Gas Pipeline	Hebron Storage	6-0001	700	41200
Tennessee Gas Pipeline	Lamont	2-0072	400	30900
Tennessee Gas Pipeline	Nashville Storage	2-0243	200	82400
Tennessee Gas Pipeline	Rose Lake	2-0527	400	154500
Tennessee Gas Pipeline	Rose Lake	1-0110	400	154500
Tennessee Gas Pipeline	Mercer	2-0496	400	30900
Tennessee Gas Pipeline	Wattsburg	2-0075	200	46350
Texas Eastern Transmissio	n Holbrook*	0015	750	103000
Texas Eastern Transmissio	n Holbrook*	5054	750	103000
Three Rivers Pipeline	Three Rivers P.L.	TRP268	450	10000
TC Energy	Niagara	1-0902	725	236500
Transcontinental Gas Pipe	0	4494	1100	400000
Transcontinental Gas Pipe		3549	1100	400000
Transcontinental Gas Pipe	•	6172	600	139050
Transcontinental Gas Pipe		3261	600	139050

*Formerly located at Bristoria

4.4 <u>Storage Requirements</u>

This section sets forth the range of injection and withdrawal capabilities associated with each individual storage field operated by Transporter. Transporter's ability to transport quantities of gas between Transporter's storages under the EFT Rate Schedule and particular receipt and delivery points may be constrained by these field specific capabilities.

In addition, during the injection cycle specific storages can only be filled from a single interconnection to an upstream pipeline. In New York; Nashville, Perrysburg, Sheridan and Colden storages can only be filled from the facilities of Tennessee Gas Pipeline Company. Similarly, in Pennsylvania; Hebron Storage can only be filled from Tennessee Gas Pipeline Company.

Therefore, EFT Shippers who have upstream capacity on Tennessee Gas Pipeline Company will have to arrange for quantities to be scheduled on Tennessee Gas Pipeline Company for injection into these specific storages.

	Injection Cycle		Withdrawal Cycle		
	(April	1 - October 31)	(November 1 - April 1		
	Flow I	Range	Flov	w Range	
Storage Field	Mmcfd	Mmcfd	Mmcfd	Mmcfd	
Belmouth	4.3	13	5	5	
Bennington	30	30	28.8	60	
Boone Mtn.	10	10	5	5	
Colden	40	40	25	40	
Collins	3.5	11	20	40	
Corry	6.3	6.7	3.6	40	
Derby	3	3	2	2	
East Branch	25	50	25	35	
Ellisburg	72	90	110	225	
Galbraith	12	12	6.5	16	
Hebron	30	30	25	25	
Henderson	15	30	17.1	30	
Holland	20	20	10	20	
Keelor	30	30	13.5	40	
Lawtons	4	20	10	30	
Markle	8	8	1.5	8	
Nashville	66	66	35	110	
Perrysburg	40	40	18	40	
Sheridan	6	30	15	25	
ST. Mary's	1	1	1	1	
Summit	10	20	24.8	60	
Swede Hill	13	13	6.3	8	
Tuscarora	21.3	25	57	80	
Wellendorf	6	14	5	5	
Wharton	28	28	27	40	
Zoar	8	65	25	60	

5. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this rate schedule.

Part 6 – Rate Schedules Schedule 6.030: EFT Rate Schedule § 6 – Reserved for Future Use Version 1.0.0 Page 1 of 1

6. RESERVED FOR FUTURE USE

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

FST RATE SCHEDULE Firm Storage Transportation Service

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for transportation service by National Fuel Gas Supply Corporation (hereinafter called "Transporter"), associated with a firm storage service provided by Transporter or a provider of storage service that interconnects with Transporter, for any person (hereinafter called "Shipper") provided that: (i) capacity is available on all portions of Transporter's system (including primary receipt and delivery points) necessary to provide service on a firm basis throughout the requested term; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms & Conditions and executes a service agreement for firm transportation service under this FST Rate Schedule in the form contained in this tariff; and (iii) said service complies with the terms and conditions of this FST Rate Schedule.
- 1.2 For purposes of determining the availability of service in processing requests for service hereunder, Transporter shall not grant any said request for transportation service: (i) for which capacity is not available on any portion of its system necessary to provide such service on a firm basis; provided, however, that Transporter may not reject a request for service hereunder solely because of the absence of equipment sufficient to provide Transporter with measurement information from a supervisory control and data acquisition ("SCADA") system and the ability to remotely adjust gas flows via a SCADA system at any delivery point, unless the installation of such equipment would not be operationally feasible, as determined by Transporter; (ii) which could in Transporter's judgment interfere with the integrity of its system, or service to existing firm transportation or storage customers; or (iii) if such service does not comply with this FST Rate Schedule or the FST Service Agreement. Transporter shall not be required to grant any said request for transportation service which would require the construction, modification, expansion or acquisition of any facilities. Availability of service is also subject to Section 31 of the General Terms and Conditions - Qualification for Service.
- 1.3 While a determination of capacity on Transporter's system is reported once each year, on March 1st, in accordance with Section 284.13(d)(2) of the Commission's regulations, determination of available firm capacity on Transporter's system shall be made from time to time as capacity becomes available or as requests for service are received hereunder. Subject to

Sections 10, 11 and 26 of the General Terms and Conditions of this tariff, in processing requests for service hereunder, Transporter shall allocate any available firm capacity to persons which make a valid request under Section 31 of the General Terms and Conditions, on a first come, first served basis determined as of the date Transporter received a valid request.

- 1.4 Upon the request of Shipper, firm primary delivery or receipt points (injection or withdrawal) may be added or deleted from time to time provided Transporter can provide service at such points on a firm basis. The availability of service at secondary receipt and delivery points is described in Section 2.4 hereof.
 - (a) Availability of service at new primary injection or withdrawal delivery point(s) will be subject to the provisions of this Section 1, and the reassignment of the Shipper's Contract MDITQ or MDWTQ, as defined in Section 2.4, among its existing and new primary delivery point(s).
 - (b) Availability of service at new primary injection or withdrawal receipt point(s) will be subject to the provisions of this Section 1, and the reassignment of the Shipper's Contract MDITQ or MDWTQ, as defined in Section 2.4, among its existing and new primary receipt points.
 - (c) A request for a change in primary receipt or delivery points (injection or withdrawal) shall be set forth on Transporter's Service Request Form, however, the information specified in subsections (c) and (f) of Section 31.1 of the General Terms and Conditions may be omitted.
 - (d) A change will not be made to a primary receipt or delivery point if such change would require capacity that is posted for bidding under Section 26 of the General Terms and Conditions, unless such capacity remains available at the end of the posting period.
- 1.5 With the exception of the Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule, this FST Rate Schedule is available only for transportation to delivery points that are equipped with equipment sufficient to provide Transporter with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system. All primary receipt points must also be equipped with such equipment. Notwithstanding the foregoing, "Transporter's Storage

Facilities" may be used as a secondary receipt point or a secondary delivery point under an FST Service Agreement, and Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule may be used as primary or secondary receipt or delivery points under an FST Service Agreement. Transporter may waive the requirement that points be equipped with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system on a nondiscriminatory basis with respect to a delivery point or primary receipt point if it determines that such equipment exists at another point on Transporter's system and can (a) control gas flows at the delivery or primary receipt point and (b) provide a close approximation of the quantity of gas flowing at such delivery or primary receipt point. In addition. Transporter may, on a non-discriminatory basis (i) waive the requirement to install equipment sufficient to provide it with the ability to remotely adjust gas flows via a SCADA system with respect to a delivery point or primary receipt point if it determines that such capability is not required for operational purposes at such point, and (ii) rescind any such waiver on thirty (30) days notice to affected shippers if it subsequently determines that such capability is required for operational purposes at such point.

- 1.6 In addition to the information specified in Section 31 of the General Terms and Conditions of this tariff, a request for service under this rate schedule shall include the following:
 - (a) <u>Receipt/Delivery Points</u>: The primary receipt and delivery points (injection and withdrawal) for the requested transportation together with the name of the entity delivering the gas to Transporter and the name of the entity to receive the gas from Transporter.
 - (b) <u>Gas Quantities</u>: The maximum daily injection quantity (MDITQ) applicable to each primary injection receipt and delivery point, and the maximum daily withdrawal transportation quantity (MDWTQ) applicable to each primary withdrawal receipt and delivery point stated in dekatherms.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The transportation service provided under this FST Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the FST Service Agreement, Subpart 284B of such regulations. This FST Rate Schedule shall apply to all gas transported by Transporter for Shipper pursuant to an FST Service Agreement.
- 2.2 Service hereunder shall be provided on a firm basis. However, service may be interrupted for any of the reasons set out in Section 8 of the General Terms and Conditions hereof, or whenever necessary to maintain gas quality or the integrity of Transporter's system. Service hereunder is also subject to the availability of any necessary upstream or downstream transportation, which shall be the responsibility of Shipper to arrange.
- 2.3 Service hereunder shall consist of:
 - (a) the receipt by Transporter of natural gas tendered by Shipper for transportation at the primary injection receipt point(s) specified in the FST Service Agreement, or at secondary receipt points as described in Subsection 2.5, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas, after reductions as set out in the FST Service Agreement and Section 3 of this FST Rate Schedule, by Transporter to Shipper or for Shipper's account at the primary injection delivery point(s) specified in the FST Service Agreement, or at secondary delivery points as described in Subsection 2.5 hereof; and
 - (b) the receipt by Transporter of natural gas tendered by Shipper for transportation at the primary withdrawal receipt point(s) specified in the FST Service Agreement, or at secondary receipt point(s) as described in Subsection 2.5, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas, after reductions as set out in the FST Service Agreement and Section 3 of this FST Rate Schedule, by Transporter to Shipper or for Shipper's account at the primary withdrawal delivery point(s) specified in the FST Service Agreement, or at secondary delivery points as specified in Subsection 2.5 hereof.

- 2.4 Except as provided in Subsection 2.5 and Section 2.6 hereof, Shipper shall have no right:
 - (a) to tender quantities of gas at any firm primary injection receipt point in excess of the Maximum Daily Injection Transportation Quantity (MDITQ) specified in the FST Service Agreement for that injection receipt point;
 - (b) to tender quantities of gas at any firm primary withdrawal receipt point in excess of the Maximum Daily Withdrawal Transportation Quantity (MDWTQ) specified in the FST Service Agreement for that withdrawal receipt point;
 - (c) to tender quantities of gas in excess of the Contract MDWTQ on any day at any combination of receipt points;
 - (d) to take delivery of quantities of gas at any firm primary injection delivery point in excess of the MDITQ specified in the FST Service Agreement for that injection delivery point;
 - (e) to take delivery of quantities of gas at any firm primary withdrawal delivery point in excess of the MDWTQ specified in the FST Service Agreement for that withdrawal delivery point; nor
 - (f) to take delivery of quantities of gas in excess of the Contract MDWTQ on any day at any combination of delivery points.

The Contract MDITQ shall be the sum of the MDITQ's applicable to each primary injection receipt point. The sum of the MDITQ's applicable to each primary injection delivery point shall also equal the Contract MDITQ, net of applicable Transportation Fuel and Company Use Retention and Transportation LAUF Retention. The Contract MDWTQ shall be the sum of the MDWTQ's applicable to each primary withdrawal receipt point. The sum of the MDWTQ's applicable to each primary withdrawal delivery point shall also equal the contract MDWTQ.

- 2.5 Subject to the provisions of this FST Rate Schedule, Transporter will:
 - (a) accept natural gas tendered by Shipper at a secondary receipt point, and
 - (b) deliver natural gas for the Shipper's account at a secondary delivery point;

provided that such acceptance or delivery would not impair Transporter's ability to provide firm transportation (to another Shipper from a firm primary receipt point or to a firm primary delivery point) or firm storage service, and provided further that any such delivery point(s) are equipped with measurement, control and communication equipment required for firm delivery points. Use of secondary receipt and delivery points by FST Shippers shall be superior to the use of such points by interruptible shippers.

- 2.6 Shipper may request Transporter to receive, transport, and deliver quantities of natural gas in excess of Shipper's Contract MDWTQ or MDITQ any day under the FST Service Agreement. In such case, Transporter will determine whether the delivery capacity of its system will permit such receipt, transportation, and delivery without impairing the ability of Transporter to meet its other delivery obligations. Deliveries pursuant to such scheduled overrun transportation shall be subordinated to all firm transportation and firm storage services and shall be scheduled, together with transportation under Rate Schedule IT.
- 2.7 A shipper receiving service under this FST Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.
- 2.8 Service under this FST Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Transporter.
- 2.9 Transporter may reject nominations, require revised nominations, issue operational flow orders or take such other action as is reasonably required to:
 - (a) protect any of Transporter's facilities from excessive pressure or other similar threats to the integrity of its system, and

(b) permit Transporter to inject or withdraw gas from individual storage fields in a manner consistent with the performance characteristics of such fields.

Transporter shall, as soon as is reasonably practicable, notify the Commission and post on its web site the circumstances and justifications for any actions taken pursuant to this Subsection 2.10.

2.10 Notwithstanding Section 13 of the General Terms and Conditions, an FST Shipper may change its nomination effective on any hour of the day to reflect changes in quantities to be delivered or received under its transportation contract(s) with pipelines that are physically interconnected with Transporter which are associated with service at FST receipt or delivery points, by notifying Transporter and the interconnecting transporter one hour in advance.

Nominations changed pursuant to this Section 2.11 shall be accepted by Transporter only to the extent that Transporter's scheduling of such change will not reduce the scheduled quantities of another firm shipper.

- 2.11 Transporter shall not be required to receive or deliver gas at a receipt or delivery point where the total quantity of gas for transportation scheduled is less than that required to operate existing measurement facilities at such point.
- 2.12 The maps and tables appearing in Part 3.030 of this tariff will be used to determine which (if any) of the Market Pooling Points identified in Section 4.1 of the MPPAS Rate Schedule will be considered to lie between Shipper's primary receipt and delivery points, for purposes of scheduling and curtailment.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for deliveries are set forth in the currently effective Section 4.010 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Reservation Charge</u>. A charge per month per Dth of Contract MDWTQ.
 - (b) <u>Commodity Charge</u>. A charge per Dth for all gas delivered by Transporter during the billing month except gas delivered into a Market Pool established in accordance with the MPPAS Rate Schedule.
 - (c) <u>Interruptible Gathering ("IG") Charge</u>. In the event that Transporter transports Shipper's gas through any pipeline facilities, classified as gathering, a charge per Dth as set forth in Section 4.040 for all gas transported through such facilities during the billing month. Gas transported through the meters shown in the list updated from time to time on Transporter's web site, shall be subject to the interruptible gathering rate.

The maximum IG rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the interruptible gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

- (d) An amount to reimburse Transporter for filing fees paid to the Commission associated with the transportation service.
- (e) An amount to reimburse Transporter for the cost of any new facilities installed by Transporter to receive or deliver natural gas for

the account of Shipper; including, but not limited, to equipment sufficient to provide Transporter with measurement information from a SCADA system and the ability to remotely adjust gas flows via a SCADA system.

- 3.3 Transporter will retain the percent of receipts set forth in Section 4.010 as "Transportation Fuel and Company Use Retention" and the percent of receipts set forth in Section 4.010 as "Transportation LAUF Retention".
 - Transporter may from time to time determine point pairs on its (a) system where the Transportation Fuel and Company Use Retention will not be applied to a particular transaction ("Zero Fuel Point Pair Zero Fuel Point Pair Transactions will be Transactions"). determined by a review of projected system flows and the indication that on an aggregate basis no incremental Transportation Fuel or Company Use will be required to facilitate those transactions. Transporter will post on its web site point pairs where the Transportation Fuel and Company Use Retention shall be zero, the quantity eligible for such treatment, and the term of such eligibility. To the extent that more requests for Zero Fuel Point Pair Transaction capacity are received than Transporter has eligible capacity, such capacity will be awarded pursuant to Section 13.2 of the General Terms and Conditions. If Transporter later determines that incremental Transportation Fuel and Company Use is required to facilitate a transaction that had previously been identified as not requiring incremental Transportation Fuel and Company Use, Transporter will post such information to its web site and will require Transportation Fuel and Company Use reimbursement on a going forward basis; provided, however, Transporter will continue to honor any Zero Fuel Point Pair Transactions with respect to primary receipt and delivery points for the shorter of (a) the term of the commitment as posted on Transporter's web site or (b) the primary term of Shipper's service agreement
 - (b) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on quantities received directly from Transporter's storage fields, if such quantities were immediately prior to such receipt stored by Transporter under a firm storage agreement.
 - (c) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on

quantities scheduled for delivery into a Market Pool established under the MPPAS Rate Schedule.

- 3.4 Except as provided by valid rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.010; however, nothing precludes Transporter from charging a rate between the maximum and minimum rate for service under this Rate Schedule as set forth in Section 4.010.
- 3.5 <u>Overrun Transportation</u>: For each Dth of gas delivered by Transporter on any day in excess of Shipper's Contract MDWTQ (whether or not scheduled), Shipper shall pay Transporter the applicable rate for Overrun Transportation set forth in Section 4.010 of this tariff.
- 3.6 <u>Reservation Charge Credits</u>:
 - (a) General Rule and Applicability: In the event Transporter is unable to make deliveries of the quantity of gas to which Shipper has firm entitlements on any day under an FST service agreement and to which Shipper has nominated for delivery from a primary receipt point to a primary delivery point under such agreement in accordance with this tariff and stands ready to deliver to Transporter in accordance with this tariff, Transporter shall provide a reservation charge credit applicable to the quantity of gas that was nominated and confirmed by Shipper's supplier or upstream pipeline, net of applicable retentions for Transportation LAUF and Transportation Fuel and Company Use, but not delivered; provided, however, Transporter shall not be relieved of the obligation to provide a credit for failure to confirm a nomination for reasons within its control. Subject to Section 3.6(b), the quantity of gas to which the credit shall apply shall be determined as follows:
 - (i) when Transporter has given notice of the unavailability of service at least twenty-four (24) hours prior to the 11:30 a.m. deadline for nominations leaving control of the nominating party in the Timely Nomination Cycle, pursuant to Section 13.1(a) of the General Terms and Conditions, (A) the lesser of the applicable MDTQ the average of daily quantities nominated and confirmed from Shipper's primary receipt point to the Shipper's primary delivery point during the most recent seven (7) days preceding the date service became unavailable, during which service was available, less

(B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper; or

- (i) when Transporter has not given notice as specified in Section 3.6(a)(i), (A) the lesser of the applicable MDTQ or the quantity Shipper has nominated in accordance with this tariff, and which has been confirmed by Shipper's supplier or upstream pipeline, for the day, less (B) the quantity measured as delivered at Shipper's primary delivery point and allocated to Shipper;
- (b) Exceptions and Clarifications: Transporter shall not be obligated to provide a reservation charge credit with respect to quantities
 - nominated by Shipper and subsequently delivered by Transporter at another primary or secondary delivery point during the day; provided that Shipper will not be obligated to submit nominations to another delivery point;
 - (ii) that Transporter is unable to schedule at a primary receipt or delivery point due to the allocation of capacity to a Shipper that was properly scheduled in an earlier nomination cycle that is not subject to reduction or "bumping" in the current cycle;
 - (iii) that Transporter delivered at the primary delivery point but were not allocated to Shipper because other shippers without primary firm priority at the point were ranked higher than Shipper under the applicable allocation method for the point;
 - (iv) that Transporter is unable to schedule or deliver due to a failure or inadequacy of supply, transportation or market upstream or downstream of Transporter's system, provided that this clause (iv) shall not apply when Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, affecting Transporter and an upstream or downstream pipeline;
 - (v) that Transporter does not accept at a primary receipt point in accordance with the Section 2 of the General Terms and Conditions (Gas Quality);

- (vi) that Shipper elected not to receive at a primary delivery point, except when it refuses to accept deliveries because of Transporter's failure to meet its obligations under this tariff; or
- (vii) not delivered at a primary delivery point due to scheduled work on Transporter's facilities if Transporter and Shipper have mutually coordinated the timing of the scheduled work and the work is performed in accordance with that schedule.
- (c) Calculation of the Credit:
 - (i) When Transporter's inability to deliver gas is due to the incidence of force majeure, as defined in Section 8 of the General Terms and Conditions, the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by 28.00% of the reservation charge (the portion representing return on equity and related taxes) shown on the table appearing in Part 4 of this tariff, expressed as a daily rate (*i.e.*, the reservation charge times 12 (months) and then divided by 365 (days)); provided, however, that for discounted rate agreements, the credit shall be based on 100% of the portion of the contractual reservation rate, if any, that exceeds 72.00% of the maximum recourse rate, unless otherwise agreed to in writing by Transporter and Shipper.
 - (ii) When Transporter's inability to deliver gas is due to Transporter's scheduling of necessary maintenance and repair of facilities, the tie-in of new facilities, or other causes, excepting the circumstances addressed in Section 3.6(c)(i), the reservation charge credit for the day shall equal the quantity of gas to which the credit applies multiplied by the contractual reservation rate, expressed as a daily rate (*i.e.*, the reservation rate times 12 (months) and then divided by 365 (days)).
 - (iii) Any reservation charge credit will be reflected on the Shipper's monthly invoice and will be applied first to any balances owed by Shipper.
 - (iv) For capacity release transactions, reservation charge credits applicable to the Replacement Shipper shall be determined in

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accordance with Section 3.6(c)(i) or 3.6(c)(ii), as applicable, provided that the contractual reservation rate utilized in calculating any applicable credits shall be the lower of the contractual reservation rate of the Releasing Shipper or the contractual reservation rate of the Replacement Shipper. If the Replacement Shipper is paying a volumetric rate, no reservation charge credit will be provided. Billing credits applicable to the Releasing Shipper pursuant to GT&C Section 10.9 shall be calculated without regard to any reservation charge credits provided to the Replacement Shipper pursuant to this Section 3.6. Under no circumstances shall the total of the reservation charge credit exceed the reservation charge Shipper would have paid absent a capacity release by Shipper.

- (v) For a two-year transitional period beginning April 28, 2013, reservation charge credits associated with outages that are required to comply with orders issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Section 60139(c) of Title 49 of the United States Code, shall be calculated in accordance with clause (i) of this Section 3.6(c). Notices of outages pursuant to this section shall identify the specific PHMSA order with which Transporter is complying.
- 3.7 <u>Minimum Monthly Bill</u>: The minimum monthly bill shall be the Reservation Charge.

4. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this rate schedule. National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

IT RATE SCHEDULE Interruptible Transportation Service

1. <u>AVAILABILITY</u>

- 1.1 This IT Rate Schedule is available for interruptible transportation service by National Fuel Gas Supply Corporation (hereafter called "Transporter") on behalf of any person (hereinafter called "Shipper") to the extent that: (i) capacity is available on Transporter's system from time to time; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for interruptible transportation under this IT Rate Schedule in the form contained in this tariff; and (iii) such service complies with the terms and conditions of this IT Rate Schedule.
- 1.2 In addition to the information specified in Section 31 of the General Terms and Conditions of this tariff, a request for service under this rate schedule shall include the following:
 - (a) <u>Gas Quantities</u>: The maximum daily transportation quantity (MDTQ) stated in dekatherms.
 - (b) <u>Receipt/Delivery Point</u>: The designated Receipt Point(s) and Delivery Point(s) for the requested transportation together with the name of the entity delivering the gas to Transporter and the name of the entity to receive the gas from Transporter.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The transportation service provided under this IT Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the IT Service Agreement, Subpart 284B of such regulations. This IT Rate Schedule shall apply to all gas transported by Transporter for Shipper pursuant to an IT Service Agreement.
- 2.2 (a) Service hereunder shall be provided on an interruptible basis. Interruption of service includes decreasing, suspending, or discontinuing both the receipt and delivery of gas.
 - (b) Service hereunder will be interrupted whenever necessary to provide firm transportation or firm storage services. Service hereunder is also subject to the availability of any necessary upstream or downstream transportation, which shall be the responsibility of Shipper to arrange.
- 2.3 Service hereunder shall consist of the receipt by Transporter of natural gas tendered by Shipper for transportation at the receipt point(s) specified in the IT Service Agreement, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas (after reductions as set out in the IT Service Agreement and Section 3 of this IT Rate Schedule) by Transporter to Shipper or for Shipper's account at the delivery point(s) specified in the IT Service Agreement.
- 2.4 Shipper may request Transporter to receive, transport, and deliver on any day, quantities of natural gas in excess of Shipper's MDTQ under the IT Service Agreement. In such case, Transporter will determine whether the delivery capacity of its system will permit such receipt, transportation, and delivery obligations.
- 2.5 A Shipper receiving service under this IT Rate Schedule shall not lose priority for purposes of this Section by the renewal or extension of term of that service.
- 2.6 Service under this IT Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Seller.

- 2.7 All receipt and delivery points are available to Shippers as they are added to Transporter's system.
- 2.8 Transporter shall not be required to receive or deliver gas at a receipt or delivery point where the total quantity of gas for transportation scheduled is less than that required to operate existing measurement facilities at such point.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates per Dth for service under this rate schedule are set forth in the currently effective Section 4.010 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule during each month, Shipper shall pay Transporter:
 - (a) <u>Commodity Charge</u>: A charge per Dth for all gas delivered by Transporter during the billing month except gas delivered into a Market Pool established in accordance with the MPPAS Rate Schedule.
 - (b) <u>Interruptible Gathering ("IG") Charge</u>. In the event that Transporter transports Shipper's gas through any pipeline facilities, classified as gathering, a charge per Dth as set forth in Section 4.040 for all gas transported through such facilities during the billing month. Gas transported through the meters shown in the list updated from time to time on Transporter's web site, shall be subject to the interruptible gathering rate.

The maximum IG rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the interruptible gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

- (c) An amount to reimburse Transporter for filing fees associated directly with the transportation service and paid to the Commission.
- (d) An amount to reimburse Transporter for the costs of any facilities installed by Transporter to receive or deliver natural gas for the account of Shipper.

- 3.3 Transporter will retain the percent of receipts set forth in (a) Section 4.010 as "Transportation Fuel and Company Use Retention" and the percent of receipts set forth in Section 4.010 as "Transportation LAUF Retention". Transporter may from time to time determine point pairs on its system where the Transportation Fuel and Company Use Retention will not be applied to a particular transaction ("Zero Fuel Point Pair Transactions"). Zero Fuel Point Pair Transactions will be determined by a review of projected system flows and the indication that on an aggregate basis no incremental Fuel or Company Use will be required to facilitate those transactions. Transporter will post on its web site point pairs where the Transportation Fuel and Company Use Retention shall be zero, the quantity eligible for such treatment, and the term of such eligibility. To the extent that more requests for Zero Fuel Point Pair Transaction capacity are received than Transporter has eligible capacity, such capacity will be awarded pursuant to Section 13.2 of the General Terms and Conditions. If Transporter later determines that incremental Transportation Fuel and Company Use is required to facilitate a transaction that had previously been identified as not requiring incremental Transportation Fuel and Company Use, Transporter will post such information to its web site and will require Transportation Fuel and Company Use reimbursement on a going forward basis; provided, however, Transporter will continue to honor any Zero Fuel Point Pair Transactions with respect to primary receipt and delivery points for the shorter of (a) the term of the commitment as posted on Transporter's web site or (b) the primary term of Shipper's service agreement.
 - (b) Transporter will retain neither the Transportation Fuel and Company Use Retention nor the Transportation LAUF Retention on quantities scheduled for delivery into a Market Pool established under the MPPAS Rate Schedule.
- 3.4 Except as provided by valid Commission rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.010; however, nothing precludes Transporter from charging a rate between the maximum and minimum rates for this service under this Rate Schedule set forth in Section 4.010.
- 3.5 <u>Overrun Transportation</u>: For each Dth of gas delivered by Transporter on any day in excess of Shipper's Contract MDTQ (whether or not

scheduled), Shipper shall pay Transporter the applicable rate for Overrun Transportation set forth in Section 4.010 of this tariff.

3.6 <u>Minimum Monthly Bill</u>: None.

4. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Transporter's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this Rate Schedule.

PTR RATE SCHEDULE Plant Thermal Reduction (PTR) Transportation Service

1. <u>AVAILABILITY</u>

1.1 This PTR Rate Schedule governs the transportation by National Fuel Gas Supply Corporation (hereafter called "Transporter") of separately nominated liquefiable hydrocarbons (PTR). This Rate Schedule is available to any shipper which has retained the processing rights to the gas delivered into Transporter's Unprocessed Gas System and which executes a PTR Transportation Agreement wherein Transporter agrees to transport PTR on a basis commensurate with the transportation of the gas with which the PTR is commingled (the "Related Gas Stream").

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The transportation service provided under this PTR Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the PTR Service Agreement, Subpart 284B of such regulations. This PTR Rate Schedule shall apply to all gas transported by Transporter for Shipper pursuant to a PTR Service Agreement.
- 2.2 (a) The character of service under a PTR Service Agreement will be commensurate with service under the service agreement which provides for transportation of the Related Gas Stream.
 - (b) For purposes of scheduling and curtailment, PTR quantities will be accorded the same priority as the quantities under the service agreement which provides for transportation of the Related Gas Stream.
- 2.3 Service hereunder shall consist of the receipt by Transporter of natural gas tendered by Shipper for transportation at the receipt point(s) associated with the PTR Service Agreement, the transportation of that natural gas through or by use of Transporter's system, and the delivery of that natural gas by Transporter to Shipper or for Shipper's account at the delivery point(s) specified in the PTR Service Agreement. Each receipt point shall be associated with no more than one PTR Service Agreement.
- 2.4 Transporter shall not be required to receive or deliver gas at a receipt or delivery point where the total quantity of gas for transportation scheduled is less than that required to operate existing measurement facilities at such point.
- 2.5 Allocation of gas and the hydrocarbons constituents thereof among processing plants, and the redelivery of residue gas, and associated accounting procedures, shall be in accordance with procedures mutually satisfactory to Transporter and Shipper. Gas shall be allocated to shippers based on measured quantities at the Receipt Point(s).
- 2.6 For purposes of nominating service hereunder, Shipper agrees that on a day when the Related Gas Stream is scheduled by Transporter for transportation, Transporter will provide as a nomination on Shipper's behalf the quantity (in Dth per day) of liquefiables produced from the Receipt Point(s) attributable to the interest from which Shipper has retained or acquired the right to process such liquefiables during the most

recent production month for which data is available at the time of the nomination. For the first production month for a Receipt Point, the nomination will be based on Transporter's reasonable estimate of liquefiable production. This volume provided by Transporter shall be deemed to be Shipper's nomination under this Agreement for transportation to the processing plant(s) specified in the PTR Service Agreement until changed or adjusted by Transporter prospectively pursuant to an allocation of capacity under Section 2.2 above or an update of the historical plant volume reduction information utilized by Transporter.

3. <u>RATE</u>

- 3.1 Shipper shall reimburse Transporter:
 - (a) for any fees associated directly with the transportation service and paid to the Commission; and
 - (b) for the cost of any facilities installed by Transporter to receive or deliver natural gas under this Rate Schedule for the account of Shipper.
- 3.2 <u>Interruptible Gathering ("IG") Charge</u>. In the event that Transporter transports Shipper's gas through any pipeline facilities, classified as gathering, and unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff, Shipper shall pay Transporter a charge per Dth as set forth in Section 4.040 of this tariff for all gas transported through such facilities during the billing month. Gas transported through the meters shown in the list updated from time to time on Transporter's web site, shall be subject to the interruptible gathering rate.

The maximum IG rate applicable to a given month shall be based on the Bidweek Survey for Appalachia – Columbia Gas, as published by Natural Gas Intelligence and shall be determined in accordance with the table set forth in Section 4.010. Transporter shall post the interruptible gathering rate applicable for each month on its web site. If this index becomes unavailable, Transporter will file for approval of a substitute representative index and may, at its discretion, use such substitute representative index in the interim.

- 3.3 Except as provided by valid Commission rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified in Section 4.040 of this tariff; however, nothing precludes Transporter from charging a rate between the maximum and minimum rates for this service under this Rate Schedule set forth in Section 4.040 of this tariff.
- 3.4 <u>Minimum Monthly Bill</u>: None.

4. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Transporter's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this Rate Schedule.

IAS RATE SCHEDULE INTERRUPTIBLE ADVANCE SERVICE

1. <u>AVAILABILITY</u>

- 1.1 This IAS Rate Schedule is available for interruptible advance service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") on behalf of any person (hereinafter called "Shipper") to the extent that: (i) excess deliverability is available from storage fields utilized by Transporter, as posted by Transporter on its web site from time to time; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for interruptible advance service under this IAS Rate Schedule in the form contained in this tariff; (iii) Shipper has arranged for the transportation of the gas to be advanced by Transporter hereunder from storage fields utilized by Transporter to the desired delivery points under the EFT, IT, FT, FST or FT-S Rate Schedules; and (iv) such service complies with the terms and conditions of this IAS Rate Schedule.
- 1.2 In addition to the information specified in Section 31 of the General Terms and Conditions, a request for service under this rate schedule shall include the following:
 - (a) <u>Gas Quantities</u>: The Maximum Advance Quantity requested, stated in dekatherms.
 - (b) <u>Receipt Point(s)</u>: The designated Receipt Point(s) for the return hereunder of gas service.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The interruptible advanced service provided under this IAS Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the IAS Service Agreement, Subpart 284B of such regulations. This IAS Rate Schedule shall apply to all gas advanced by Transporter to Shipper pursuant to an IAS Service Agreement.
- 2.2 (a) Service hereunder shall be provided on an interruptible basis. Interruption of service includes decreasing, suspending, or discontinuing the delivery of gas.
 - (b) Service hereunder shall be interrupted whenever necessary to permit Transporter to meet its obligations under firm transportation or firm storage rate schedules.
- 2.3 Service hereunder shall consist of the advance of gas by Transporter, up to the Maximum Advance Quantity specified in the IAS Service Agreement, the delivery of such gas into Transporter's transmission facilities for subsequent transportation pursuant to the EFT, IT, FT, FST or FT-S Rate Schedule, and the acceptance at the receipt point designated in the IAS Service Agreement of the quantity advanced by Transporter hereunder.
- 2.4 Shipper shall be required to return the sum of (i) the quantity of gas advanced by Transporter from storage fields utilized by Transporter, which quantity shall include quantities retained by Transporter during the subsequent transportation of such gas by Transporter, and (ii) a quantity of gas equal to the product obtained by multiplying the quantity of gas described in clause (i) hereof by two (2) times the percentage set forth in Section 4.050 as Storage Operating and LAUF Retention.
- 2.5 Shipper may nominate for the return of advanced gas at any time, subject to Section 13 of the General Terms and Conditions of this tariff, and Transporter shall accept such gas to the extent it has capacity to do so. The voluntary return of advanced gas hereunder shall have a priority of service equal to service under the IT Rate Schedule.
- 2.6 Upon receipt of notification from Transporter, Shipper must return the quantities of gas specified in Section 2.4 hereof within the period of time and according to the schedule specified in Transporter's notification;

provided, however, that such period of time shall be at least forty-eight (48) hours.

- 2.7 Transporter shall not be required to receive or deliver gas at a receipt or delivery point where the total quantity of gas for transportation scheduled is less than that required to operate existing measurement facilities at such point.
- 2.8 A Shipper receiving service under this IAS Rate Schedule shall not lose priority for purposes of this Section by the renewal or extension of term of that service.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates per Dth for service under this rate schedule are set forth in the currently effective in Section 4.050 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule during each month, Shipper shall pay Transporter:
 - (a) <u>Advance Charge</u>: A charge per Dth for all gas advanced by Transporter during the billing month.
 - (b) <u>Return Charge</u>: A charge per Dth for all gas returned to Transporter during the billing month.
 - (c) <u>Usage Charge</u>: A charge per Dth for Shipper's advanced gas balance. The usage charge shall be applied on a daily basis. The Shipper's "advanced gas balance" shall be the highest aggregate quantity of Transporter's gas on advance to Shipper hereunder during a day.
 - (d) An amount to reimburse Transporter for the costs of any facilities installed by Transporter to receive or deliver natural gas for the account of Shipper.
- 3.3 Except as provided by valid Commission rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.050; however, nothing precludes Transporter from charging a rate between the maximum and minimum rates under this Rate Schedule set forth in Section 4.050.
- 3.4 <u>Minimum Monthly Bill</u>: None.

4. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Transporter's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this Rate Schedule. National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1 Part 6 – Rate Schedules Schedule 6.070: FSS Rate Schedule § 1 – Availability Version 1.0.0 Page 1 of 2

FSS RATE SCHEDULE Firm Storage Service

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for storage service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") for any person (hereinafter called "Shipper") provided that: (i) capacity is available in Transporter's storage fields necessary to provide service on a firm basis throughout the requested term; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for firm storage service under this FSS Rate Schedule in the form contained in this tariff; and (iii) said service complies with the terms and conditions of this FSS Rate Schedule.
- 1.2 For purposes of determining the availability of service in processing requests for service hereunder, Transporter shall not grant any said request for storage service: (i) for which capacity is not available on any portion of its system necessary to provide such service on a firm basis; (ii) which could in Transporter's judgment interfere with the integrity of its system, or service to existing firm transportation or firm storage customers; or (iii) if such service does not comply with this FSS Rate Schedule or the FSS Service Agreement. Transporter shall not be required to grant any said request for transportation service which would require the construction, modification, expansion or acquisition of any facilities. Availability of service is also subject to Section 31 of the General Terms and Conditions Qualification for Service.
- 1.3 While a determination of capacity on Transporter's system is reported once each year, on March 1st, in accordance with Section 284.13(d)(2) of the Commission's regulations, determination of available firm capacity on Transporter's system shall be made from time to time as capacity becomes available or as requests for service are received hereunder. Subject to Sections 10, 11 and 26 of the General Terms and Conditions of this tariff, in processing requests for service hereunder, Transporter shall allocate any available firm capacity to persons which make a valid request under Section 31 of the General Terms and Conditions, on a first come, first served basis determined as of the date Transporter received a valid request.

- 1.4 In addition to the information specified in Section 31 of the General Terms and Conditions, a request for service under this rate schedule shall include the following:
 - (a) <u>Gas Quantities</u>: The Maximum Daily Injection Quantity (MDIQ), Maximum Daily Withdrawal Quantity (MDWQ) and the Maximum Storage Quantity (MSQ) stated in dekatherms.
 - (b) <u>Receipt/Delivery Point</u>: If receipts or deliveries are to take place at a point of interconnection between storage facilities utilized by Transporter and another pipeline, the designated Receipt Point(s) and Delivery Point(s) for the requested service together with the name of the entity delivering the gas to Transporter and the name of the entity to receive the gas from Transporter.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The storage service provided under this FSS Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the FSS Service Agreement, Subpart 284B of such regulations. This FSS Rate Schedule shall apply to all gas stored by Transporter for Shipper pursuant to an FSS Service Agreement.
- 2.2 Service hereunder shall be provided on a firm basis. However, service may be interrupted for any of the reasons set out in Section 8 of the General Terms and Conditions hereof, or whenever necessary to maintain gas quality or the integrity of Transporter's system.
- 2.3 Service hereunder shall consist of the receipt of natural gas delivered to storage facilities utilized by Transporter pursuant to a shipper's EFT, IT, FT, FST or FT-S Service Agreement, or pursuant to a transportation agreement with another pipeline where operationally feasible, the injection of gas into storage facilities utilized by Transporter, the storage and withdrawal of that gas, and the delivery of that gas, after reductions as set out in the FSS Service Agreement and Section 3 of this FSS Rate Schedule, into Transporter's transmission facilities for subsequent transportation pursuant to a shipper's EFT, IT, FT, FST or FT-S Service Agreement, or pursuant to a transportation agreement with another pipeline where operationally feasible. Except as provided in Subsections 2.4 and 2.5 hereof, Shipper shall have no right:
 - (a) to tender any gas for injection during periods of time not within the Injection Period, as stated in the FSS Service Agreement,
 - (b) to tender for injection on any day a quantity of gas in excess of the sum of the Maximum Daily Injection Quantity (MDIQ) specified in the FSS Service Agreement, and a quantity sufficient to satisfy the retentions described in Section 3.3 hereof,
 - (c) to tender for injection on any day a quantity of gas at a point of interconnection between storage facilities utilized by Transporter and another pipeline in excess of the quantity of gas Transporter is authorized and physically able to inject at such point of interconnection, multiplied by a fraction, the numerator of which is Shipper's Maximum Storage Quantity, and the denominator of which is the total top gas capacity in all of Transporter's storage fields,

- (d) to store a quantity of gas in excess of the Maximum Storage Quantity (MSQ),
- (e) to withdraw any gas during periods of time not within the Withdrawal Period, as stated in the FSS Service Agreement,
- (f) to withdraw quantities of gas in excess of the Maximum Daily Withdrawal Quantity (MDWQ) specified in the FSS Service Agreement, or
- (g) to withdraw on any day a quantity of gas at a point of interconnection between storage facilities utilized by Transporter and another pipeline in excess of the quantity of gas Transporter is authorized and physically able to withdraw at such point of interconnection, multiplied by a fraction, the numerator of which is Shipper's Maximum Storage Quantity, and the denominator of which is the total top gas capacity in all of Transporter's storage fields.
- 2.4 Provided Transporter determines that the receipt of gas and the injection of such gas into storage from Shipper can be accomplished by Transporter without detriment to Transporter's facilities and/or Transporter's ability to meet its firm obligations to other Shippers, Transporter, upon request of Shipper, shall inject on an interruptible basis quantities of gas in excess of the limitations set forth in Sections 2.3 and 2.9 hereof. Such excess quantities shall be referred to as authorized overruns.
- 2.5 Provided such withdrawal from storage and delivery of such gas to Shipper can be accomplished by Transporter without detriment to Transporter's facilities and/or Transporter's ability to meet its firm obligations to other Shippers, Transporter, upon request of Shipper, shall withdraw on an interruptible basis quantities of gas in excess of the limitations set forth in Sections 2.3 and 2.9 hereof. Such excess quantities shall be referred to as authorized overruns.
- 2.6 Transporter shall provide service under this FSS Rate Schedule through its combined utilization of each of its individual storage fields. Shipper's Storage Balance shall not be stored in or allocated to any particular storage field(s).

- 2.7 A shipper receiving service under this FSS Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.
- 2.8 Service under this FSS Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Seller.
- When necessary to assure that a storage service will not in Transporter's 2.9 judgment interfere with the integrity of its system, or service to existing firm transportation or firm storage customers, Transporter may limit Shipper's right to inject and/or withdraw gas hereunder in the FSS Service Agreement to specified percentages of the MDIQ and/or MDWQ during specified periods of the Storage Year or while Shipper's Storage Balance is at specified levels, or during other specified periods, and Shipper may be required to reduce its Storage Balance according to a specified schedule, and in such cases the FSS Service Agreement will reflect any such If Shipper does not reduce its Storage Balance in specifications. accordance with a schedule set forth in the FSS Service Agreement, any excess shall be considered a positive imbalance, occurring as of the time Shipper's obligation to reduce its Storage Balance was not satisfied, and shall be subject to Section 14 of the General Terms and Conditions of this tariff, including, without limitation, the transportation balancing fee (which shall apply in addition to all charges due hereunder) and the provisions relating to clearing of imbalances; provided, however, that the maximum transportation balancing fee (i.e., 1.0 x the ISS Rate) shall apply to any and all excess gas in storage.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for service hereunder are set forth in the currently effective in Section 4.020 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Storage Capacity Charge</u>. A charge per month per Dth of Maximum Storage Quantity.
 - (b) <u>Storage Demand Charge</u>. A charge per month per Dth of Maximum Daily Withdrawal Quantity.
 - (c) <u>Injection Charge</u>. A charge per Dth for all gas received during the billing month by Transporter for injection hereunder, net of the retention set forth in Section 3.3 hereof.
 - (d) <u>Withdrawal Charge</u>. A charge per Dth for all gas withdrawn during the billing month by Transporter for withdrawal hereunder, net of the retention set forth in Section 3.4 hereof.
 - (e) An amount to reimburse Transporter for filing fees paid to the Commission associated with the additional storage service.
 - (f) An amount to reimburse Transporter for the cost of any facilities installed by Transporter to receive or deliver natural gas for the account of Shipper.
- 3.3 During injection of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.020 as Storage Operating and LAUF Retention.
- 3.4 During withdrawal of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.020 as Storage Operating and LAUF Retention.
- 3.5 Except as provided by valid rule or regulation, Transporter is not obligated to offer to store or store gas at any rates less than the maximum rates specified for this rate schedule in Section 4.020; however, nothing

precludes Transporter from charging a rate between the maximum and minimum rate specified for service under this Rate Schedule as set forth in Section 4.020.

3.6 Each Shipper submitting to Transporter a Customer Nomination pursuant to Section 32 of the General Terms and Conditions of this tariff, for a transfer of Storage Balance shall pay Transporter an administrative charge equal to the current Posted Rate Schedule FSS Storage Balance Transfer Rate ranging between the maximum and the minimum of such rate as set forth in the currently effective Section 4.020 of this tariff. Such charge shall be billed on the invoice for the billing period in which a Customer Nomination Form is received by Transporter.

4. <u>BILLING ADJUSTMENTS</u>

If during the Injection Period Transporter is unable to inject into storage quantities of gas nominated during such period by Shipper for injection and made available to Transporter, then the Storage Demand Charge and the Storage Capacity Charge shall be reduced in the following manner:

If, at the end of the Injection Period, Shipper's Storage Gas Balance is less than Shipper's Maximum Storage Quantity due solely to Transporter's inability to inject gas within the limitations set forth in this Rate Schedule, then the Storage Capacity Charge applicable for the ensuing Withdrawal Period and Injection Period shall be that part of the total Storage Capacity Charge herein provided which Shipper's Storage Balance as of such date bears to Shipper's Storage Capacity.

5. <u>STORAGE FIELD LOSSES</u>

In the event of a loss of gas from one or more storage fields utilized by Transporter resulting from force majeure, such loss shall be allocated among Transporter, lessees of Transporter's storage capacity and each Shipper receiving service under the SS-1, ESS, FSS or ISS Rate Schedule in proportion to the quantities of gas (excluding base gas) of each in storage immediately prior thereto as reasonably determined by Transporter, and if such extraordinary loss exceeds the top gas balances of Transporter and all such lessees and Shippers, such excess will be deemed to be from Transporter's base gas.

Losses of gas from storage fields utilized by Transporter that are not losses resulting from force majeure, as defined below, will be deemed to be gas from Transporter's top gas balance, and, to the extent such losses exceed Transporter's top gas balance, such excess will be deemed to be from Transporter's base gas. For purposes of this Section 5, a loss of gas resulting from force majeure is a loss caused by any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, or similar causes.

Shipper is placed on notice that Transporter may recognize storage gas losses for rate and accounting purposes. Such losses shall be valued at the current replacement cost of gas. After accounting recognition of any such loss, Transporter shall record and maintain a regulatory asset account which shall be maintained until Transporter's next general rate change filing under Section 4 of the Natural Gas Act. In any of Transporter's general rate change filings, Transporter may propose to amortize storage gas losses through its base rates. This provision shall apply to storage gas losses incurred but unamortized as of the date upon which this provision becomes effective, and to those incurred after that date.

6. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter shall apply to and are made a part of this rate schedule.

ESS RATE SCHEDULE Enhanced Storage Service

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for storage service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") for shippers receiving firm transportation service under the EFT Rate Schedule (hereinafter called "Shipper").
- 1.2 For purposes of determining the availability of service in processing requests for service hereunder, Transporter shall not grant any said request for storage service (i) for which capacity is not available on any portion of its system necessary to provide such service on a firm basis; (ii) which could in Transporter's judgment interfere with the integrity of its system, or service to existing, firm transportation or firm storage customers; or (iii) if such service does not comply with this ESS Rate Schedule or the ESS Service Agreement. Transporter shall not be required to grant any said request for transportation service which would require the construction, modification, expansion or acquisition of any facilities. Availability of service is also subject to Section 31 of the General Terms and Conditions Qualification for Service.
- 1.3 While a determination of capacity on Transporter's system is reported once each year, on March 1st, in accordance with Section 284.13(d)(2) of the Commission's regulations, determination of available firm capacity on Transporter's system shall be made from time to time as capacity becomes available or as requests for service are received hereunder. Subject to Sections 10, 11 and 26 of the General Terms and Conditions of this tariff, in processing requests for service hereunder, Transporter shall allocate any available firm capacity to persons which make a valid request under Section 31 of the General Terms and Conditions, on a first come, first served basis determined as of the date Transporter received a valid request.
- 1.4 In addition to the information specified in Section 31 of the General Terms and Conditions, for additional service under this rate schedule shall include the following:
 - (a) <u>Gas Quantities</u>: The new Maximum Storage Quantity desired by Shipper.

(b) <u>Facilities</u>: Identification and location of any facilities proposed to be constructed or installed by any party affected by the proposed additional transportation service.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The storage service provided under this ESS Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the ESS Service Agreement, Subpart 284B of such regulations. This ESS Rate Schedule shall apply to all gas stored by Transporter for Shipper pursuant to an ESS Service Agreement. This ESS Rate Schedule, in conjunction with the EFT Rate Schedule, sets forth the terms and conditions of the "no-notice" transportation service required by Commission Order No. 636 et seq.
- 2.2 Service hereunder shall be provided on a firm basis. However, service may be interrupted for any of the reasons set out in Section 8 of the General Terms and Conditions hereof, or whenever necessary to maintain gas quality or the integrity of Transporter's system.
- 2.3 Service hereunder shall consist of the receipt of natural gas delivered to storage facilities utilized by Transporter pursuant to Shipper's EFT Service Agreement, the injection of gas into storage facilities utilized by Transporter, the storage and withdrawal of that gas, and the delivery of that gas, after reductions as set out in the ESS Service Agreement and Section 3 of this ESS Rate Schedule, into Transporter's transmission facilities for subsequent transportation pursuant to Shipper's EFT Service Agreement. Except as provided under Subsections 2.6 and 2.7 hereof, Shipper shall have no right:
 - (a) to tender any gas for injection during periods of time not within the Injection Period, which shall commence April 1st and end November 1st,
 - (b) to tender for injection on any day a quantity of gas in excess of the sum of the Maximum Daily Injection Quantity (MDIQ) specified in the ESS Service Agreement, or the percentage thereof as is applicable pursuant to Section 2.11 hereof, and a quantity sufficient to satisfy the retentions described in Section 3.3 hereof,
 - (c) to store a quantity of gas in excess of the Maximum Storage Quantity (MSQ),
 - (d) to withdraw quantities of gas on any day during the Withdrawal Period, which shall commence November 1st and end April 15th, in

excess of the Maximum Daily Withdrawal Quantity (MDWQ) specified in the ESS Service Agreement, or the percentage thereof applicable pursuant to Section 2.11 hereof.

- (e) to withdraw gas on any day not within the Withdrawal Period in excess of 24% of the MDWQ specified in the ESS Service Agreement, provided that Transporter may temporarily limit or suspend withdrawals outside the Withdrawal Period as necessary to conduct pressure tests of its storage fields.
- 2.4 Transporter shall provide service under this ESS Rate Schedule through its combined utilization of each of its individual storage fields. Shipper's Storage Balance shall not be stored in or allocated to any particular storage field(s).
- 2.5 Notwithstanding Section 13 of the General Terms and Conditions of this tariff, Transporter will adjust scheduled injections and withdrawals pursuant to an ESS Service Agreement as necessary to balance nominated receipts and actual deliveries under the Shipper's EFT Service Agreement, up to the MDIQ or MDWQ specified in the Shipper's ESS Service Agreement.
- 2.6 Provided Transporter determines that the receipt of gas and the injection of such gas into storage from Shipper can be accomplished by Transporter without detriment to Transporter's facilities and/or Transporter's ability to meet its firm obligations to other Shippers, Transporter, upon request of Shipper, shall inject on an interruptible basis quantities of gas in excess of the limitations set forth in Sections 2.3 and 2.10 hereof. Such excess quantities shall be referred to as authorized overruns.
- 2.7 Provided such withdrawal from storage and delivery of such gas to Shipper can be accomplished by Transporter without detriment to Transporter's facilities and/or Transporter's ability to meet its firm obligations to other Shippers, Transporter, upon request of Shipper, shall withdraw on an interruptible basis quantities of gas in excess of the limitations set forth in Sections 2.3 and 2.10 hereof. Such excess quantities shall be referred to as authorized overruns.
- 2.8 A shipper receiving service under this ESS Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.

- 2.9 Service under this ESS Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Seller.
- 2.10 The MDIQ applicable to an ESS Shipper shall equal 1/170th of the MSQ; however, Transporter's obligation to accept gas for injection during the Injection Season shall be limited to eighty-five percent (85%) of the MDIQ whenever Shipper's Storage Balance is at or above eighty percent (80%) of its MSQ.
- 2.11 The MDWQ applicable to an ESS Shipper shall be set forth in the ESS Service Agreement. Transporter's obligation to withdraw gas from storage during the Withdrawal Period shall be limited as follows:

When Shipper's Storage Balance is:	Transporter's Obligation to Withdraw gas is limited to:
greater than 30% of MSQ	100% of the MDWQ
greater than 20% of MSQ but less than or equal to 30% of MSQ	90% of the MDWQ
greater than 10% of MSQ but less than or equal to 20% of MSQ	80% of the MDWQ
greater than 0% of MSQ but less than or equal to 10% of MSQ	70% of the MDWQ

In addition to the limitations set forth above, on any days during the Withdrawal Period on or after March 1st on which Shipper's Storage Balance is greater than thirty percent (30%) of its MSQ, Transporter's obligation to withdraw gas shall be limited to ninety percent (90%) of the MDWQ.

2.12 An ESS Shipper must reduce its Storage Balance to thirty percent (30%) of its MSQ by March 31st of each Withdrawal Period. If Shipper does not reduce its Storage Balance to such level, any excess shall be considered an "Excess Storage Balance" for purposes of Section 3 hereof.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for service hereunder are set forth in the currently effective Section 4.020 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Storage Capacity Charge</u>. A charge per month per Dth of Maximum Storage Quantity.
 - (b) <u>Storage Demand Charge</u>. A charge per month per Dth of Maximum Daily Withdrawal Quantity.
 - (c) <u>Injection Charge</u>. A charge per Dth for all gas received during the billing month by Transporter for injection hereunder, net of the retention set forth in Section 3.3 hereof.
 - (d) <u>Withdrawal Charge</u>. A charge per Dth for all gas withdrawn during the billing month by Transporter for withdrawal hereunder, net of the retention set forth in Section 3.4 hereof.
 - (e) Excess Balance Charge. A charge per Dth for any Excess Storage Balance occurring at any time between March 15th and March 31st of any year, which shall be computed on a daily basis by multiplying the Excess Storage Balance by a rate equal to onesixteenth (1/16) of the applicable injection charge under the ISS Rate Schedule.
 - (f) An amount to reimburse Transporter for filing fees paid to the Commission associated with the additional storage service.
 - (g) An amount to reimburse Transporter for the cost of any facilities installed by Transporter to receive or deliver natural gas for the account of Shipper.
- 3.3 During injection of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.020 as Storage Operating and LAUF Retention.

- 3.4 During withdrawal of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.020 as Storage Operating and LAUF Retention.
- 3.5 Except as provided by valid rule or regulation, Transporter is not obligated to offer to store or store gas at any rates less than the maximum rates specified for this rate schedule in Section 4.020; however, nothing precludes Transporter from charging a rate between the maximum and minimum rate specified for service under this Rate Schedule as set forth in Section 4.020.
- 3.6 Each Shipper submitting to Transporter a Customer Nomination pursuant to Section 32 of the General Terms and Conditions of this tariff, for a transfer of Storage Balance shall pay Transporter an administrative charge equal to the current Posted Rate Schedule FSS Storage Balance Transfer Rate-ranging between the maximum and the minimum of such rate as set forth in the currently effective Section 4.020 of this tariff. Such charge shall be billed on the invoice for the billing period in which a Customer Nomination Form is received by Transporter.
- 3.7 <u>Minimum Monthly Bill</u>: The minimum monthly bill shall be the sum of the Storage Demand Charge and the Storage Capacity Charge.

4. <u>BILLING ADJUSTMENTS</u>

If during the Injection Period Transporter is unable to inject into storage quantities of gas nominated during such period by Shipper for injection and made available to Transporter, then the Storage Demand Charge and the Storage Capacity Charge shall be reduced in the following manner:

If, at the end of the Injection Period, Shipper's Storage Gas Balance is less than Shipper's Maximum Storage Quantity due solely to Transporter's inability to inject gas within the limitations set forth in this Rate Schedule, then the Storage Capacity Charge applicable for the ensuing Withdrawal Period and Injection Period shall be that part of the total Storage Capacity Charge herein provided which Shipper's Storage Balance as of such date bears to Shipper's Storage Capacity.

5. <u>STORAGE FIELD LOSSES</u>

In the event of a loss of gas from one or more storage fields utilized by Transporter resulting from force majeure, such loss shall be allocated among Transporter, lessees of Transporter's storage capacity and each Shipper receiving service under the FSS, SS-1, ESS or ISS Rate Schedule in proportion to the quantities of gas (excluding base gas) of each in storage immediately prior thereto as reasonably determined by Transporter, and if such extraordinary loss exceeds the top gas balances of Transporter and all such lessees and Shippers, such excess will be deemed to be from Transporter's base gas. Losses of gas from storage fields utilized by Transporter that are not losses resulting from force majeure, as defined below, will be deemed to be gas from Transporter's top gas balance, and, to the extent such losses exceed Transporter's top gas balance, such excess will be deemed to be from Transporter's base gas. For purposes of this Section 5, a loss of gas resulting from force majeure is a loss caused by any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, or similar causes.

Shipper is placed on notice that Transporter may recognize storage gas losses for rate and accounting purposes. Such losses shall be valued at the current replacement cost of gas. After accounting recognition of any such loss, Transporter shall record and maintain a regulatory asset account which shall be maintained until Transporter's next general rate change filing under Section 4 of the Natural Gas Act. In any of Transporter's general rate change filings, Transporter may propose to amortize storage gas losses through its base rates. This provision shall apply to storage gas losses incurred but unamortized as of the date upon which this provision becomes effective, and to those incurred after that date.

6. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter shall apply to and are made a part of this rate schedule.

Part 6 – Rate Schedules Schedule 6.090: ISS Rate Schedule § 1 – Availability Version 1.0.0 Page 1 of 1

ISS RATE SCHEDULE Interruptible Storage Service

1. <u>AVAILABILITY</u>

- 1.1 This rate schedule is available for interruptible storage service by National Fuel Gas Supply Corporation (hereinafter called "Transporter") for any person (hereinafter called "Shipper") provided that: (i) capacity is available in storage fields utilized by Transporter from time to time; (ii) Shipper makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for interruptible storage service under this ISS Rate Schedule in the form contained in this tariff and has entered into a service agreement under Transporter's FT, FT-S, FST, EFT or IT Rate Schedule providing for the receipt and delivery of gas attributable to service hereunder; and (iii) said service complies with the terms and conditions of this ISS Rate Schedule.
- 1.2 In addition to the information specified in Section 31 of the General Terms and Conditions of this tariff, a request for service under this rate schedule shall include the following:

<u>Gas Quantities</u>: The Maximum Daily Injection and Withdrawal Quantities and the Maximum Storage Quantity (MSQ) stated in dekatherms.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

- 2.1 The storage service provided under this ISS Rate Schedule shall be performed under Subpart 284G of the Commission's Regulations or, where specifically referenced in the ISS Service Agreement, Subpart 284B of such regulations. This ISS Rate Schedule shall apply to all gas stored by Transporter for Shipper pursuant to an ISS Service Agreement.
- 2.2 (a) Service hereunder shall be provided on an interruptible basis. Interruption of service includes decreasing, suspending or discontinuing both the receipt and delivery of gas.
 - (b) Service hereunder will be interrupted whenever necessary to effect injections or withdrawals for firm storage customers.
- 2.3 Service hereunder shall consist of the receipt of natural gas delivered to storage facilities utilized by Transporter pursuant to a shipper's transportation service agreement; the injection of such gas into such storage facilities, the storage and withdrawal of that gas, and the delivery of that gas, after reductions as set forth in the ISS Service Agreement and Section 3 of this ISS Rate Schedule, into Transporter's transmission facilities for subsequent transportation pursuant to a shipper's transportation service agreement.
- 2.4 The ISS Service Agreement shall specify the Maximum Daily Injection Quantity, Maximum Daily Withdrawal Quantity and Maximum Storage Quantity applicable to Shipper.
- 2.5 To the extent storage capacity which is being utilized by a Shipper hereunder is needed by Transporter in order to satisfy or to accommodate Transporter's obligations to firm transportation or storage customers, Transporter shall require Shipper to withdraw all, or any portion, of the gas quantities held in storage by Transporter within thirty (30) days of Transporter's notice to Shipper. If Shipper fails to arrange for the withdrawal from storage of the quantities specified by Transporter in its notice, despite the availability of capacity for the withdrawal of Shipper's gas under its ISS Service Agreement and the transportation of Shipper's gas under its FT, FT-S, FST, EFT or IT Service Agreement, Transporter shall take title to Shipper's ISS Storage Balance that Shipper was instructed to withdraw, free and clear of any adverse claims. Transporter's notice to Shipper may be verbal and in such case shall be followed by a written confirmation.

- 2.6 A shipper receiving service under this ISS Rate Schedule shall not lose priority for purposes of this section by the renewal or extension of term of that service.
- 2.7 Service under this ISS Rate Schedule shall be provided on a basis that is equal in quality for all gas supplies transported hereunder, whether or not purchased from Seller.
- 2.8 Transporter shall provide service under this ISS Rate Schedule through its combined utilization of each of its individual storage fields. Shipper's Storage Balance shall not be stored in or allocated to any particular storage field(s).

3. <u>RATE</u>

- 3.1 The maximum and minimum rates for service hereunder are set forth in the currently effective in Section 4.020 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule, Shipper shall pay Transporter the sum of the following:
 - (a) <u>Injection Charge</u>. A charge per Dth for all gas received by Transporter for injection hereunder, net of quantities retained pursuant to Section 3.3 hereof during the billing month.
 - (b) An amount to reimburse Transporter for filing fees paid to the Commission associated with the transportation service.
 - (c) An amount to reimburse Transporter for the cost of any facilities installed by Transporter to receive or deliver natural gas for the account of Shipper.
- 3.3 During receipt and injection of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.020 as Storage Operating and LAUF Retention.
- 3.4 During withdrawal of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.020 as Storage Operating and LAUF Retention.
- 3.5 Except as provided by valid rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.020; however, nothing precludes Transporter from charging a rate between the maximum and minimum rate specified for service under this Rate Schedule as set forth in Section 4.020.
- 3.6 Each Shipper submitting to Transporter a Customer Nomination pursuant to Section 32 of the General Terms and Conditions of this tariff, for a transfer of Storage Balance shall pay Transporter an administrative charge equal to the current Posted Rate Schedule FSS Storage Balance Transfer Rate-ranging between the maximum and the minimum of such rate as set

forth in the currently effective in Section 4.020 of this tariff. Such charge shall be billed on the invoice for the billing period in which a Customer Nomination Form is received by Transporter.

- 3.7 In the case of a transfer of Storage Balance from an ESS or FSS Service Agreement to an ISS Service Agreement, the Storage Balance being transferred shall be considered gas received by Transporter for injection hereunder for purposes of Section 3.2(a) of this ISS Rate Schedule, and the Injection Charge shall be applicable to the entire transfer of Storage Balance; provided that the ISS shipper shall be credited with an amount (not in excess of the Injection Charge), for each Dth transferred, equal to the maximum FSS Injection Charge shown in currently effective in Section 4.020 of this tariff.
- 3.8 <u>Minimum Monthly Bill</u>: None

4. <u>STORAGE FIELD LOSSES</u>

In the event of a loss of gas from one or more storage fields utilized by Transporter resulting from force majeure, such loss shall be allocated among Transporter, lessees of Transporter's storage capacity and each Shipper receiving service under FSS, SS-1, ESS or ISS Rate Schedule in proportion to the quantities of gas (excluding base gas) of each in storage immediately prior thereto as reasonably determined by Transporter, and if such extraordinary loss exceeds the top gas balances of Transporter and all such lessees and Shippers, such excess will be deemed from Transporter's base gas. Losses of gas from storage fields utilized by Transporter that are not losses resulting from force majeure, as defined below, will be deemed to be gas from Transporter's top gas balance, and, to the extent such losses exceed Transporter's top gas balance, such excess will be deemed to be from Transporter's base gas. For purposes of this Section 4, a loss of gas resulting from force majeure is a loss caused by any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, or similar causes.

Shipper is placed on notice that Transporter may recognize storage gas losses for rate and accounting purposes. Such losses shall be valued at the current replacement cost of gas. After accounting recognition of any such loss, Transporter shall record and maintain a regulatory asset account which shall be maintained until Transporter's next general rate change filing under Section 4 of the Natural Gas Act. In any of Transporter's general rate change filings, Transporter may propose to amortize storage gas losses through its base rates. This provision shall apply to storage gas losses incurred but unamortized as of the date upon which this provision becomes effective, and to those incurred after that date.

5. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Seller's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this rate schedule.

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RATE SCHEDULE SS-1 110-DAY UNDERGROUND STORAGE SERVICE

1. <u>AVAILABILITY</u>

This rate schedule is available for the purchase of underground gas storage service from National Fuel Gas Supply Corporation (hereinafter called "Transporter") by any purchaser (hereinafter called "Buyer") when the Buyer;

- (a) has executed a service agreement, which is accepted by Transporter, for the purchase of service under this rate schedule,
- (b) has entered into such transportation and/or exchange agreement with other parties as may be necessary to accomplish delivery and receipt of gas, and
- (c) has provided base gas to Transporter upon such terms and in such quantities as Transporter may determine to be necessary for development of storage facilities.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

This rate schedule provides a firm storage service available to each customer during the contract year which consists of an annual period commencing April 1 and ending the following March 31.

- 2.1 Subject to Subparagraph 2.4 below, Buyer has the right to have Quantities of Gas in storage up to a maximum quantity specified in the Underground Storage Service Agreement as the "Annual Storage Quantity".
- 2.2 Subject to Subparagraph 2.4 below, Buyer has the right to make gas available for injection and Transporter will inject such gas into storage from April 1 through October 31 of each contract year (hereinafter the "Injection Season") at a daily rate not to exceed the Maximum Daily Injection Quantity as set forth in the applicable Underground Storage Service Agreement (hereinafter the "Maximum Daily Injection Quantity"). During the Injection Season, as far in advance as possible and no later than the beginning of the next preceding day, each Buyer shall notify Transporter of the Quantity of Gas, net of the Injection Allowance (as defined in Subparagraph 2.4 below), which it desires to inject in excess of its Maximum Daily Injection Quantity pursuant to Paragraph 7 below. Upon request, Transporter may waive any part of such advance notice requirement, if, in its judgment, operating conditions permit.
- 2.3 Subject to Subparagraph 2.4 below, Buyer will have the right to receive and Transporter will deliver commencing November 1 and terminating March 31 in each contract year (hereinafter the "Withdrawal Season") that Quantity of Gas which Buyer has in storage on October 31 in such contract year (augmented by any quantity of Buyer's gas injected during such Withdrawal Season) at a daily rate not exceeding the Maximum Daily Withdrawal Quantity set forth in the applicable Underground Storage Service Agreement (hereinafter the "Maximum Daily Withdrawal Quantity"). During the Withdrawal Season, as far in advance as possible and no later than the beginning of the next preceding day, each Buyer shall notify Transporter of the Quantity of Gas which it desires to withdraw on each day pursuant to this Subparagraph 2.3. Such notice may be given by telephone and shall also specify any Quantity of Gas which Buyer desires to have withdrawn and delivered in excess of its Maximum Daily Withdrawal Quantity pursuant to Paragraph 8 below. Upon request, Transporter may waive any part of such advance notice requirement, if, in its judgment, operating conditions permit.

2.4 During injection of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.030 as "Storage Operating and LAUF Retention". (In connection with gas received by Transporter for injection, the Storage Operating and LAUF Retention shall also be referred to as the "Injection Allowance"). During withdrawal of gas hereunder, Transporter will retain the percent of gas set forth in Section 4.030 as Storage Operating and LAUF Retention (In connection with gas withdrawn from storage, the Storage Operating and LAUF Retention shall also be referred to as the "Withdrawal Allowance"). On any given day during the Injection Season, Buyer shall be permitted to deliver Quantities of Gas to Transporter for injection necessary to satisfy the Injection Allowance and Withdrawal Allowance, occurring during the Injection Season as reported by Transporter. Such additional Quantities of Gas will not reduce Buyer's Maximum Daily Injection Quantity and will not be considered in determining the Quantities of Gas subject to the Excess Service Charge, but shall be subject to a Surface Operating and LAUF Allowance Charge.

Consequently, Buyer will begin each Withdrawal Season with those Quantities of Gas injected into storage during the immediately preceding Injection Season, <u>less</u> such Quantities of Gas equal to, unless tendered during the Injection Season: (a) the allowances applicable to such Quantities of Gas; and (b) any of Buyer's Quantities of Gas withdrawn for delivery to Buyer during the Injection Season, <u>plus</u> carryover Quantities of Gas as described in Paragraph 6 of this rate schedule.

2.5 Subject to (a) the limitation that Buyer may have in storage at any one time no more than its Annual Storage Quantity, (b) the limitation that Transporter will not be obligated to deliver more than the Quantity of Buyer's Gas in its possession as reduced by the Injection Allowance and the Withdrawal Allowance, if applicable, and (c) such provisions for transportation as may be made by Buyer for delivery to Transporter and for redelivery to or for the account of Buyer, Buyer may request Transporter to accept for injection gas offered by Buyer and to redeliver gas to or for the account of Buyer Quantities of Gas up to five percent in excess of the respective Maximum Daily Injection Quantity and Maximum Daily Withdrawal Quantity. Upon receiving such request, Transporter shall determine and act upon such request in accordance with Paragraphs 7 and 8 of this rate schedule. In order to facilitate carrying out the procedures set forth in Paragraphs 7 and 8 of this rate schedule, in each contract year Buyer will provide Transporter on the first day of the month immediately preceding the respective Injection Season and Withdrawal Season a schedule showing its best estimate of requested injection volumes and withdrawal volumes during such respective seasons.

- 2.6 Subject to (a) the limitation that Buyer may have in storage at any one time no more than its Annual Storage Quantity, (b) the limitation that Transporter will not be obligated to deliver more than the Quantity of Gas that Buyer has in its possession as reduced except for service provided pursuant to paragraph A(2) and B(2) below, by the Withdrawal Allowance, (c) the limitation that Buyer will not exceed its Maximum Daily Injection Quantity or its Maximum Daily Withdrawal Quantity (except as provided in paragraph 2.5), (d) such provisions for transportation as may be made by Buyer for delivery to Transporter and for redelivery to or for the account of Buyer, and (e) Buyer providing Transporter with a minimum of twenty-four hours prior notice, Transporter shall:
 - A. accept for injection gas offered by Buyer during the Withdrawal Season provided: (1) the pressure of the gas being tendered by the transporting pipeline is sufficient to permit Transporter to physically accept the gas from the transporting pipeline at Transporter's Line EC-1, or (2) there are corresponding quantities being delivered by Transporter on behalf of other customers to the same transporting pipeline at Transporter's Line EC-1 from which the quantities tendered for injection would be received so as to permit a back off, or (3) the Buyer tendering gas for injection is concurrently requesting to withdraw gas at quantities equal to or greater than the injection quantities.
 - B. provide withdrawal gas requested by Buyer during the Injection Season provided: (1) the pressure in the Transporter's facilities is sufficient to permit delivery of gas to the respective transporting pipeline's facilities at Transporter's Line EC-1, or (2) there are corresponding quantities being received for injection by Transporter from the same transporting pipeline on behalf of other customers of Transporter from Transporter's Line EC-1, or (3) the Buyer requesting to withdraw gas is concurrently delivering quantities of gas for injection greater than or equal to the quantities being withdrawn.

3. <u>RATES</u>

3.1 For all services rendered to Buyer under this Rate Schedule, Buyer shall pay Transporter each month an amount of money calculated as the sum of the following charges. The currently-effective rates per Dth for each charge are set forth in that portion of the currently effective Section 4.030 of this tariff which relates to the Rate Schedule and which are incorporated herein.

<u>Deliverability Charge</u>: The Deliverability Rate times the Buyer's Annual Storage Quantity divided by 110.

<u>Capacity Charge</u>: The Capacity Rate times the Buyer's Annual Storage Quantity.

<u>Injection/Withdrawal Charge</u>: The Injection/Withdrawal Rate times the Quantities of Gas Injected or Withdrawn for the Buyer.

Excess Service Charge: The Excess Service Rate times the Quantities of Gas provided pursuant to Paragraph 2.5 of this Rate Schedule.

<u>Surface Operating and LAUF Allowance Charge</u>: The Injection or Withdrawal Charge times the Quantities of Gas delivered for the express purpose of satisfying the Injection or Withdrawal Allowance.

3.2 Notwithstanding Paragraph 3.1, (a) on any day that a Buyer both tenders gas for injection and requests withdrawals of gas from storage pursuant to Paragraphs 2.6 A(2) or B(2) of this rate schedule at the same receipt/delivery point, to the extent that the quantities tendered for injection and the quantities requested to be withdrawn are equal, the Injection/Withdrawal charge shall be \$0.0100/Dth times the Quantities of Gas tendered for injection, plus \$0.0100/Dth times the Quantities of Gas requested for withdrawal. To the extent that the quantities tendered for injection and requested for withdrawal are not equal, the Injection/Withdrawal Charge, or Excess Service Charge, if applicable, reflected in Paragraph 3.1 shall apply to the net difference.

4. <u>MINIMUM BILL</u>

The Minimum monthly bill (hereinafter "Minimum Bill") shall be the sum of the Deliverability and Capacity charges as stated in Paragraph 3.1.

5. <u>CREDIT FOR DEFAULT QUANTITIES</u>

Buyer shall receive credit against payments due to Transporter for that portion of Buyer's payments made in the immediately preceding contract year measured as followed:

Credit = Buyer's x Payments Buyer's Annual Storage Quantity

"Credit" represents the amount of credit to be applied against Buyer's payments due to Transporter;

"Buyer's Payments" represents the sum of Buyer's payments to Transporter in the immediately preceding contract year;

"Default Quantities" represents the sum of Quantities of Gas on each day of the Injection Season and of the Withdrawal Season in such contract year;

- (a) which were tendered by Buyer and duly requested by Buyer to be injected or which were in storage and duly requested to be withdrawn and delivered,
- (b) which Transporter was obligated to accept for injection or to withdraw and deliver under Buyer's effective Underground Storage Service Agreement, and
- (c) which Transporter, by reason of its sole negligence or willful breach of the terms of service hereunder, failed to accept for injection or withdraw and deliver prior to the end of such Injection Season or Withdrawal Season; and

"Buyers Annual Storage Quantity" represents the Annual Storage Quantity applicable according to Buyer's Underground Storage Service Agreement as in effect during the applicable contract year; provided that such credit shall be contingent upon Buyer having used its best efforts to, as the case may be,

(a) make available for injection, during the remaining portion of such Injection Season, Quantities of Gas equivalent to the Default Quantities occurring during such Injection Season, or (b) accept Quantities of Gas withdrawn from storage, during the remaining portion of such Withdrawal Season, equivalent to the Default Quantities occurring during such Withdrawal Season.

Any credit due at the end of the last contract year in which Buyer's Underground Storage Service Agreement is in effect shall be paid in cash by Transporter to Buyer. The provisions of this Paragraph 5 shall not in any way affect rights which Buyer has under Paragraph 2 of this rate schedule.

6. <u>CARRYOVER PROVISIONS</u>

For purposes of determining the Quantity of Gas of Buyer in storage as of April 1 of each year until the April 1 immediately following expiration of Buyer's Underground Storage Service Agreement, (a) the Quantity of Gas shall be (i) the Quantity of Gas of Buyer in storage as of the preceding April 1, plus (ii) the Quantity of Gas received for injection (net of the Injection Allowance) during the intervening contract year less (iii) the Quantity of Gas withdrawn and delivered (including the Withdrawal Allowance) during the intervening contract year.

In the event that immediately following the last contract year in which the service agreement is in effect there remains in storage any Quantity of Gas of Buyer of which Buyer, for reasons other than Transporter's sole negligence or willful breach of the terms of service hereunder, has not taken delivery, Buyer shall pay to Transporter for each month or portion thereof during which any of Buyer's gas remains in storage an amount equal to the amount payable in the final month of such last contract year, and Buyer shall have the right to take delivery of such remaining Quantity at the Maximum Daily Withdrawal Quantity.

7. <u>EXCESS INJECTIONS AND APPORTIONMENT OF REQUESTED</u> <u>QUANTITIES</u>

On any day for which Buyer, through the injection notice required by Subparagraph 2.2, requests Transporter to receive for injection Quantities of Gas in excess of said Buyer's Maximum Daily Injection Quantity, together with the applicable Injection Allowance, Transporter shall determine what, if any, portion of the excess Quantity of Gas it will receive, subject always to Transporter's firm obligation to receive gas scheduled for injection by other Buyers under Transporter's Rate Schedules ESS, FSS and SS-1 up to their Maximum Daily Injection Quantities. Transporter may, in making such determination, take into account the fact that one or more other such Buyers have scheduled Quantities of Gas for injection which are less than their Maximum Daily Injection Quantities, but Transporter shall not be obligated to receive such excess Quantities of Gas except to the extent that Transporter may, in its sole judgment, determine that it is expedient for it to do so. Having made such determination, Transporter will receive excess Quantities of Gas to the extent consistent with such determination. Where two or more such buyers request the injection of excess Quantities of Gas on any day and Transporter so determines that it will inject a portion but not the totality of all such requested Quantities of Gas, it shall apportion the excess Quantity of Gas to be injected on such day among the requesting Buyers under Transporter's Rate Schedules ESS, FSSand SS-1 in the relation of their respective Maximum Daily Injection Quantities and shall receive excess gas accordingly.

8. <u>EXCESS WITHDRAWALS AND APPORTIONMENT OF REQUESTED</u> <u>QUANTITIES</u>

On any day for which Buyer, through the withdrawal notice required by Subparagraph 2.3, requests Transporter to withdraw and deliver to or for the account of said Buyer Quantities of Gas in excess of its Maximum Daily Withdrawal Quantity, net of the applicable Withdrawal Allowance, Transporter shall determine what, if any, portion of the excess Quantity of Gas it will withdraw and deliver, subject always to Transporter's firm obligation to withdraw and deliver gas scheduled for withdrawal by other Buyers under Transporter's Rate Schedules ESS, FSS and SS-12 up to their Maximum Daily Withdrawal Quantities. Transporter may, in making such determination take into account the fact that one or more other such Buyers have scheduled Quantities of Gas for withdrawal and delivery which are less than the Maximum Daily Withdrawal Quantities, but Transporter shall not be obligated to withdraw and deliver such excess Quantities of Gas except to the extent that Transporter may, in its sole judgment, determine that it is expedient for it to do so. Having made such determination, Transporter will withdraw and deliver excess gas to the extent consistent with such determination. Where two or more such Buyers request the withdrawal and delivery of excess Quantities of Gas on any day and Transporter so determines that it will withdraw and deliver a portion but not the totality of all such requested Quantities of Gas, it shall apportion the excess Quantity of Gas to be withdrawn and delivered on such day among the requesting Buyers under Transporter's Rate Schedules ESS, FSS and SS-1 in the relation of their respective Maximum Daily Withdrawal Quantities and shall withdraw and deliver excess gas accordingly.

9. <u>CONVERSION TO DEKATHERM BASIS</u>

All services provided under this Rate Schedule SS-1 shall be provided on a dekatherm basis, for operational, gas accounting, billing and all other purposes. Shippers under this rate schedule shall have:

- (a) an Annual Storage Quantity equal to the product obtained by multiplying the Annual Storage Volume set forth in the Shipper's service agreement by 1.032;
- (b) a Maximum Daily Injection Quantity equal to the product obtained by multiplying the Maximum Daily Injection Volume set forth in the Shipper's service agreement (as said volume may vary according to the percentage of Annual Storage Quantity occupied) by 1.032; and
- (c) a Maximum Daily Withdrawal Quantity equal to the product obtained by multiplying the Maximum Daily Withdrawal Volume set forth in the Shipper's service agreement (as said volume may vary according to the percentage of Annual Storage Quantity occupied) by 1.032.

10. <u>GENERAL TERMS AND CONDITIONS</u>

Section 25 of the General Terms and Conditions of this tariff, as well as the other General Terms and Conditions to the extent not modified by Section 25, are made a part of this rate schedule.

MPPAS RATE SCHEDULE Market Pooling Point Aggregation Service

1. <u>AVAILABILITY</u>

- 1.1 This MPPAS Rate Schedule is available on behalf of any person (hereinafter called "Pool Aggregator") for the aggregation of natural gas quantities that are nominated for transportation services to be performed by National Fuel Gas Supply Corporation (hereafter called "Transporter") in accordance with service agreements under the FT, FT-S, EFT, FST or IT Rate Schedules (the "Subject Service Agreements") provided that: (i) Pool Aggregator makes a request for service as set forth in Section 31 of the General Terms and Conditions and executes a service agreement for market pooling point aggregation service under this MPPAS Rate Schedule in the form contained in this tariff ("MPPAS Service Agreement"); and (ii) such service complies with the terms and conditions of this MPPAS Rate Schedule.
- 1.2 In addition to the information specified in Section 31 of the General Terms and Conditions of this tariff, a request for service under this rate schedule shall include the following:
 - (a) <u>Market Pooling Points</u>: The Market Pooling Points at which Pool Aggregator proposes to establish a Market Pool.
 - (b) <u>DUNS Number</u>: The DUNS number for Pool Aggregator.
 - (c) The Maximum Daily Aggregation Quantity requested by Pool Aggregator.

2. <u>APPLICABILITY AND CHARACTER OF SERVICE</u>

2.1 This MPPAS Rate Schedule shall apply to all natural gas aggregated by Transporter for Pool Aggregator under an executed Market Pooling Aggregation Agreement ("MPA Agreement") that conforms to the form of agreement contained in this tariff. Transportation to and from the Market Pooling Point(s) identified in the MPA Agreement shall be performed pursuant to the Subject Service Agreements under Subpart 284G of the Commission's Regulations or, where specifically referenced in the Subject Service Agreement, Subpart 284B of such regulations.

3. <u>RATE</u>

- 3.1 The maximum and minimum rates per Dth for service under this rate schedule are set forth in the currently effective Section 4.050 of this tariff, and these rates are incorporated herein by reference. These rates shall be applicable to service hereunder, unless Transporter and Shipper have agreed upon a negotiated rate pursuant to Section 17.2 of the General Terms and Conditions of this tariff.
- 3.2 For all service rendered under this rate schedule during each month, Shipper shall pay Transporter:
 - (a) <u>Commodity Charge</u>: A charge per Dth for all gas scheduled into any Market Pool administered by the Pool Aggregator during the billing month, except that the commodity charge shall not apply to gas scheduled from another Market Pool at the same Market Pooling Point.
- 3.3 Except as provided by valid Commission rule or regulation, Transporter is not obligated to offer to transport or transport gas at any rates less than the maximum rates specified for this rate schedule in Section 4.050; however, nothing precludes Transporter from charging a rate between the maximum and minimum rates for this service under this Rate Schedule set forth in Section 4.050.
- 3.4 <u>Minimum Monthly Bill</u>: None.

4. <u>AGGREGATION PROCEDURES</u>

- 4.1 Transporter will establish Market Pooling Points at the following physical locations:
 - (a) New Castle (south of TGP Mercer on Line N-M50 at the mainline block valve EWM 5615)
 - (b) Oswayo (west of Ellisburg on Line Y-M2 at the mainline block valve HEM 9685)
 - (c) Sweden (south of Ellisburg on Line Y-M53 at mainline block valve SUP 5036)
 - (d) Ridgway (south of Lamont on Line K at the mainline block valve JOE 5842)
 - (e) Wales (west of the East Aurora station at the mainline block valve WAE 86)
 - (f) Aliquippa (south of Ellwood City on Line N20 at the mainline block valve HOB 1)
- 4.2 A Pool Aggregator may establish a pool ("Market Pool") at any or all of the locations identified in section 4.1 by submitting a written request to Transporter, on or before 9:00 a.m. central clock time the 20th day of the month preceding the desired effective date, identifying the Market Pooling Point applicable to each Market Pool.
- 4.3 Each Market Pooling Point identified in section 4.2 will be an eligible nomination point for receipts or deliveries under any Subject Service Agreement. All nominations to or from a Market Pooling Point must identify a single Pool Aggregator, by DUNS number, that has established a Market Pool at such Market Pooling Point under Section 4.2. In addition, a Pool Aggregator may submit nominations for the transfer of quantities from a Market Pool it administers to another Market Pool administered by another Pool Aggregator at the same Market Pooling Point. Such nominations are subject to the procedures and other requirements set forth

in Section 13.1 of the General Terms and Conditions, and to Section 7 - Warranty of Title to Gas.

- 4.4 For each Market Pool, Pool Aggregator may aggregate quantities scheduled for delivery into the pool under one or more Subject Service Agreements for further transportation downstream of the Market Pooling Point under one or more other Subject Service Agreements or for sale to one or more other Pool Aggregators or other parties at the Market Pooling Point. Transporter will perform the gas accounting necessary to allocate quantities aggregated by Pool Aggregator at the Market Pooling Point to the appropriate Subject Service Agreement, and, with respect to sales involving parties that are not Pool Aggregators, accept title transfer nominations from Title Transfer Parties in accordance with Section 13.1(f) of the General Terms and Conditions.
- 4.5 During scheduling of service under Subject Service Agreements, nominations into or out of a Market Pool will be cut as necessary to achieve equality between such nominations and to limit daily nominations to the Maximum Daily Aggregation Quantity applicable to each Pool Aggregator. Prior to each Gas Day, Pool Aggregator must submit or provide any revisions to its instructions on how to allocate such cuts among shippers under the Subject Service Agreements. Pool Aggregator must have personnel available by contact during each nomination cycle.

5. <u>GENERAL TERMS AND CONDITIONS</u>

All of the General Terms and Conditions of Transporter's effective FERC Gas Tariff, Fifth Revised Volume No. 1, and any revisions thereof that may be proposed and made effective from time to time hereafter, shall apply to and are made a part of this Rate Schedule.

PART 7 – GENERAL TERMS AND CONDITIONS

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- § 4 Measuring Equipment
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1. **DEFINITION OF TERMS**

Except where another meaning is expressly stated, the following terms when used in this tariff and in any service agreement incorporating this tariff, are intended and used and shall be construed to have the following meanings:

- 1.1 The term "Seller" or "Transporter" shall mean National Fuel Gas Supply Corporation ("National") acting in its capacity as a seller or transporter of natural gas. The term "Seller" shall include the term "Transporter".
- 1.2 The term "Buyer" or "Shipper" shall mean any sales or transportation customer of National. The term "Buyer" shall include the term "Shipper."
- 1.3 The term "day" shall mean a period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. Central Clock Time. As set forth in NAESB Standard 1.3.1, Standard time for the Gas Day should be 9:00 a.m. to 9:00 a.m. Central Clock Time (10:00 a.m. to 10:00 a.m. Eastern Clock Time).
- 1.4 The term "month" shall mean the period beginning at 9:00 a.m. central clock time on the first day of the calendar month and ending at 9:00 central clock time on the first day of the next succeeding calendar month.
- 1.5 The term "Business Day", as specified in NAESB Standard 3.2.1, is defined as Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S., and similar holidays for transactions occurring in Canada and Mexico.
- 1.6 The term "central clock time" shall mean the clock time, daylight savings or standard, as observed in Houston, Texas.
- 1.7 The term "year" shall mean a period of 365 consecutive days provided, however, that any year which contains the date "February 29" shall consist of 366 consecutive days.
- 1.8 The term "cubic foot" shall mean the volume of natural gas which occupies one cubic foot when such gas is at a temperature of 60 degrees Fahrenheit and at an absolute pressure of 14.73 pounds per square inch.
- 1.9 The term "Mcf" shall mean 1,000 cubic feet of gas.

- 1.10 The term "British thermal unit" or "Btu" shall mean the amount of heat required to raise the temperature of one pound of water 1 degree Fahrenheit at 60 degrees Fahrenheit.
- 1.11 The term "Dekatherm" or "Dth" shall mean the quantity of heat energy which is equal to 1,000,000 Btu's.
- 1.12 The term "heating value", when applied to a cubic foot of gas, means the number of British thermal units produced by the complete combustion with air, at a constant pressure, of one anhydrous (dry) cubic foot of gas at an absolute pressure of 14.73 pounds per square inch and at a temperature of 60 degrees Fahrenheit, when the products of combustion are cooled to the initial temperature of the gas and air, and when water formed by combustion is condensed to a liquid state.
- 1.13 The term "quantity of gas" shall mean a number of units of gas expressed in dekatherms, unless otherwise specified.
- 1.14 The term "volume" shall mean the number of units of gas expressed in cubic feet, unless otherwise specified.
- 1.15 The term "transportation" shall include transportation by forward haul, back haul, displacement or exchange, and shall also include storage, unless otherwise specified.
- 1.16 The term "electronic communication" shall mean the transmission of information via Transporter's web site or other mutually agreed communication methodologies used to transmit and receive information, including by telephone, facsimile or email.
- 1.17 Reserved for Future Use.

- 1.18 The term "Commission" shall mean the Federal Energy Regulatory Commission or any superseding Federal agency.
- 1.19 Reserved for Future Use.
- 1.20 Reserved for Future Use.
- 1.21 Reserved for Future Use.
- 1.22 Reserved for Future Use.
- 1.23 The term "NAESB Standards" shall mean those standardized procedures and mechanisms for electronic communication that have been adopted by the Wholesale Gas Quadrant of the North American Energy Standards Board (formerly the Gas Industry Standards Board) and incorporated by reference in the Commission's regulations.
- 1.24 The term "Operator" shall mean a party that operates facilities that interconnect with the facilities of Transporter.
- 1.25 The term "EDM" shall mean electronic data mechanism as defined by then-effective standards established by the Wholesale Gas Quadrant of the North American Energy Standards Board (formerly the Gas Industry Standards Board) and approved by the Federal Energy Regulatory Commission.
- 1.26 The term "web site, website or Web Site" shall mean the World Wide Web Site established and maintained by Transporter in accordance with the NAESB Standards (referred to as "Customer Activities Web site" in NAESB Standards) and applicable regulations of the Commission requiring Transporter to display information on an Electronic Bulletin Board.
- 1.27 The term "Web Site User" shall mean a Shipper or other party who accesses Transporter's web site.
- 1.28 The term "Elapsed Prorata Capacity", as specified in NAESB Standard 5.2.3, means that portion of the capacity that would have theoretically been available for use prior to the effective time of the intraday recall based upon a cumulative uniform hourly use of the capacity.

- 1.29 The term "primary delivery point" shall mean the delivery point specified in a service agreement under the FT, FT-S, EFT or FST Rate Schedule, and, where such point is an interconnection between Transporter's system and the facilities of another interstate pipeline, shall include the nomination point established by Transporter for nominations into the service agreement of another shipper of Transporter at such point.
- 1.30 The term "primary receipt point" shall mean the receipt point specified in a service agreement under the FT, FT-S, EFT or FST Rate Schedule, and, where such point is an interconnection between Transporter's system and the facilities of another interstate pipeline, shall include the nomination point established by Transporter for nominations from the service agreement of another shipper of Transporter at such point.
- 1.31 The term "Existing Shipper", as used in Section 10 of these General Terms and Conditions, shall mean a Shipper under the FT, FT-S, EFT, FST, FSS and ESS Rate Schedules that wants to release any or all of its capacity.
- 1.32 The term "Potential Shipper", as used in Section 10 of these General Terms and Conditions, shall mean an entity listed on Transporter's approved bidder list that may bid or has bid on firm capacity rights through Transporter's capacity release mechanism.
- 1.33 The term "Prearranged Shipper", as used in Section 10 of these General Terms and Conditions, shall mean an entity on Transporter's approved bidder list who is proposed by an Existing Shipper to obtain the Existing Shipper's firm capacity rights through Transporter's capacity release mechanism.
- 1.34 The term "Replacement Shipper", as used in Section 10 of these General Terms and Conditions, shall mean a Potential or Prearranged Shipper that has been awarded firm capacity rights for a specified period of time through Transporter's capacity release mechanism.

2. <u>QUALITY</u>

2.1 <u>Processing of Gas</u>

The gas delivered by Transporter to Shipper shall be natural or mixed gas from Transporter's present or future sources of supply, including gas received by Transporter for Shipper's account; provided, however, that helium, natural gasoline, butane, propane and any other hydrocarbons except for methane, may be removed prior to delivery to Shipper. Transporter may subject, or permit the subjection of, the gas to compression, cooling, cleaning and other processes.

2.2 <u>Total Heating Value</u>

The gas delivered by Transporter to Shipper or received by Transporter from Operator for the Shipper's account shall have a total heating value at the point(s) of delivery and receipt of not less than 967 BTU per cubic foot. Transporter and Shipper shall have the option to refuse to accept said gas so long as the total heating value of the gas remains below 967 BTU per cubic foot; provided, however, that Transporter and Shipper may elect to accept receipt or delivery of said gas.

2.3 Absence of Objectionable Matter

- (a) <u>Delivery by Transporter</u>. The gas delivered by Transporter to Shipper shall be commercially free from objectionable odors, dust or other solid or liquid or gaseous matters which might interfere with the merchantability of the gas or cause injury to or interference with proper operation of Transporter's lines, regulators, meters or other appliances through which the gas flows.
- (b) <u>Delivery for the Account of Shipper</u>. The provisions set forth in this Subsection 2.3(b) shall apply to all gas delivered to Transporter by Operator for the account of Shipper, except for gas delivered to Transporter by another interstate pipeline, in which case the quality standards set forth in the interconnection or other agreement between Transporter and such pipeline shall apply, or in the absence thereof, the FERC Gas Tariff of such pipeline.
 - 1. All gas shall be commercially free from dust, hydrocarbon liquids, water, objectionable odors, or other gaseous, solid or liquid matters which might become separated from the gas

in Transporter's facilities, or which might interfere with the merchantability of the gas or cause injury, or interfere with the proper operation of the pipelines, regulators, meters, or other equipment through which it flows; and Operator shall furnish, install, operate, maintain and keep in efficient operating condition, such drips, separators, dehydrators, alcohol bottles, gas cleaners and other devices or equipment as may be or become necessary to effect compliance with this requirement (after having secured the prior approval of Transporter as to the design and construction of such facilities, which approval shall not be unreasonably withheld);

- 2. All gas shall contain no more than twenty (20) grains of total sulfur (S), nor more than three-tenths (0.3) grain of hydrogen sulfide (H_2S) per one hundred (100) cubic feet;
- 3. All gas shall contain no more than two-tenths of one percent (0.2 of 1%) by volume of oxygen (O₂), and Operator shall make every reasonable effort to keep the gas free of oxygen (O₂);
- 4. All gas shall contain no more than four percent (4%) by volume of a combined total of carbon dioxide (CO_2) and nitrogen (N_2) components; provided, however, that the total carbon dioxide (CO_2) content shall not exceed two percent (2%) by volume;
- 5. All gas shall have a temperature of not more than one hundred twenty degrees Fahrenheit; and
- 6. All gas shall have been dehydrated by Operator for removal of water in a vapor state, and in no event, contain more than seven (7) pounds of water vapor (H_2O) per million cubic feet, as determined by Transporter. In no event shall Operator deliver to Transporter free or entrained water (H_2O).
- (c) <u>Non-Conformance by Shipper</u>.
 - 1. In the event any of the above substances enter Transporter's facilities at any interconnection in quantities greater than the levels, if any, permitted above, or, where applicable, by the

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quality standards set forth in the interconnection or other agreement with, or the FERC Gas Tariff of, the delivering interstate pipeline, with or without Transporter's knowledge, and cause, directly or indirectly, damage to any such facility, Transporter may, at Shipper's expense, (or where an interconnection agreement between Transporter and Operator is in effect with respect to the interconnection, at Operator's expense), clean up and/or repair such facility.

- 2. In the event any of the above substances enter Transporter's facilities at any interconnection in quantities greater than the levels, if any, permitted above, or where applicable by the quality standards set forth in the interconnection or other agreement with, or the FERC Gas Tariff of, the delivering interstate pipeline, and subsequently enter the facilities of downstream transporters, end-users or others, with or without Transporter's knowledge, and cause, directly or indirectly, property or environmental damage, or personal injury, Shipper, (or, where an interconnection agreement between Transporter and Operator is in effect with respect to the interconnection, Operator) shall indemnify Transporter against, hold it harmless from, and undertake the defense of Transporter with respect to any and all claims, losses, damages (including punitive damages, to the extent permitted by law), and injuries (property and environmental damage and personal injury, including death) arising therefrom and shall indemnify Transporter for any expenses, including attorney's fees, clean-up costs, fines and penalties, incurred in partial or full satisfaction of any such claims, losses, damages and injuries. This Subsection 2.3(c)(2) shall not, however, relieve Transporter from liability for damage caused by Transporter's negligence or willful misconduct.
- 3. As to gas delivered by Operator which does not meet the specifications incorporated or stated in this Section, Transporter shall have the rights, on a continuing basis, and in addition to any other remedies provided herein, to:
 - (i) Continue to receive such gas; or
 - (ii) Discontinue the flow of such gas, and, in the event Operator or Shipper shall not correct such deficiency

within a reasonable time period, to terminate the interconnection or transportation agreement as to such gas; or

- (iii) Receive such gas and, at Operator's expense, treat or otherwise process the same so as to cause it to conform to the above quality specifications.
- 2.4 <u>Commingling</u>

It is recognized that gas received by Transporter from or for the account of Shipper will be commingled with gas of other shippers of Transporter. It is recognized that gas delivered to or for the account of Shipper may or may not consist of the same molecules as those received from Shipper or for Shipper's account.

3. <u>MEASUREMENT</u>

3.1 Unit of Measure

The unit of measure for gas transported by Transporter shall be a dekatherm. Dekatherms delivered or received shall be determined by multiplying the Mcf by a fraction, the numerator of which is the Btu per cubic foot of gas and denominator of which is 1,000.

3.2 <u>Unit of Volume</u>

The unit of volume shall be one cubic foot of gas at a temperature of 60 degrees Fahrenheit and an absolute pressure of 14.73 pounds per square inch.

3.3 <u>Atmospheric Pressure</u>

The average absolute atmospheric pressure shall be assumed to be 14.4 pounds to the square inch, irrespective of actual elevation or location above sea level of the delivery or receipt points or variations in such actual atmospheric pressure from time to time.

3.4 <u>Temperature of Gas</u>

The temperature of the gas flowing through the meters, when necessary for computing gas quantities, shall be determined by the use of a recording thermometer or other temperature measuring device. The arithmetic average of the temperature recorded each 24-hour day, or so much of the 24 hours as gas has been flowing, shall be used in computing gas quantities or instantaneous temperature measurements may be applied to metering instruments to provide the quantity computation. However, in case of any small volume transaction, the installation of a thermometer may be omitted at the election of Transporter and in such case the temperature of the gas for the purpose of measurement shall be assumed to be 50 degrees Fahrenheit.

3.5 <u>Specific Gravity</u>

The specific gravity of the gas shall be determined once a month or as frequently as necessary for reasonably accurate determination by means of suitable apparatus. Such specific gravity so obtained shall be used for the purpose of measurement of gas.

3.6 Volumetric Measurement Computations

The deviation of the gas from Ideal Gas Laws shall be calculated following the recommendations of the ANSI/API 2530 "Orifice Metering of Natural Gas and Other Related Hydrocarbon Fluids" (A.G.A. Report No. 3) including the A.G.A. Manual for Determination of Supercompressibility Factors of Natural Gas or the A.G.A.

Transmission Measurement Committee Report No. 8 "Compressibility and Supercompressibility for Natural Gas and Other Hydrocarbon Gases." If the composition of the gas is such as to render the above procedure inapplicable, other methods for determination of the deviation factors, mutually agreed upon by Shipper and Transporter, shall be used.

3.7 <u>Total Heating Value</u>

The total heating value of the gas per cubic foot shall be determined for any month by taking the average of the heating values as recorded each day by a calorimeter or chromatograph or as determined by chromatographic analysis of a sample of gas, or methods outlined in AGA Gas Measurement Report No. 5, or any other method mutually agreed upon by Transporter and Operator.

4. <u>MEASURING EQUIPMENT</u>

4.1 Unless otherwise agreed upon, Transporter or Transporter's designee will install, as necessary, maintain and operate measuring stations at or near the receipt and delivery point(s) properly equipped with displacement, turbine or orifice meters, gas samplers, chromatographs and other necessary measuring equipment by which the quantity of gas delivered hereunder shall be measured. The cost of Transporter's or Transporter's designee's installing any incremental measuring facilities necessary with respect to the receipt and delivery of gas shall be borne by the Shipper(s) of such gas, unless otherwise expressly agreed. Transporter may require Shipper or Operator to provide records and/or charts from orifice meters measuring deliveries of gas by Shipper to Transporter within the period of time prescribed by Transporter.

Orifice meters shall be installed and operated in accordance with specifications recommended in Gas Measurement Committee Report No. 3 of the American Gas Association, as the same may be amended from time to time, applied in a practical manner. Displacement or turbine meters, if used, shall be installed and gas volumes computed, in accordance with generally accepted industry practices.

4.2 Demand Meters

If the Rate Schedule according to which gas delivered to Shipper is billed includes a demand charge based on the Dth taken by Shipper on the day of greatest delivery during a billing month, Transporter shall use meters suitable for determining such greatest daily delivery.

4.3 <u>Check Meters</u>

Shipper or Operator may install, maintain and operate, at its own expense, such check measuring equipment as it shall desire. Such equipment shall be so installed as not to interfere with the operation of Transporter's measuring equipment at or near the points of delivery. The Transporter shall have access to such check measuring equipment at all reasonable hours, but the reading, calibrating and adjusting thereof and the changing of charts shall be done only by the Shipper or Operator.

4.4 <u>Installation</u>

All installations of measuring equipment, applying to or affecting receipts or deliveries by Transporter, shall be made in such manner as to permit an accurate determination of the quantity of gas delivered and ready verification of the accuracy of measurement. Reasonable care shall be exercised in the installation, maintenance and operation of any pressure regulating equipment so as to avoid, as far as practicable, any inaccuracy in the determination of the volume of gas delivered hereunder.

4.5 Access to Meters and Records

Transporter and Shipper or Operator shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the other's equipment used in measuring or checking receipts and deliveries of gas. The records from such equipment shall remain the property of their owner, but upon request, each will submit to the other its records and/or charts, together with calculations therefrom, for inspection and verification, subject to return within ten (10) days after receipt thereof.

4.6 <u>Measurement Equipment Failures</u>

In the event measurement equipment is out of service, or registering inaccurately, the quantity and/or volume of gas received or delivered by Transporter shall be estimated:

- (a) By using the registration of any check meter, meters or other measurement equipment if installed and accurately registering, or in the absence of "(a)";
- (b) By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation or, in the absence of both "(a)" and "(b)", then;
- (c) By estimating the quantity of receipt or delivery by reference to receipts or deliveries during periods under similar conditions when the meter was registering accurately.

4.7 <u>Accuracy of Measuring Equipment</u>

The accuracy of Transporter's or Operator's measuring equipment shall be verified at reasonable intervals, and if requested, in the presence of representatives of Operator or Transporter, but neither party shall be required to verify the accuracy of equipment more frequently than once in any thirty (30)-day period. In the event either party shall notify the other that it desires a special test of any measuring equipment, the parties shall cooperate to secure a prompt verification of the accuracy of such equipment. The expense of any special test, if called for, shall be borne by the requesting party if the measuring equipment tested is found to be in error by no more than two percent.

4.8 Correction of Measuring Equipment Errors

If, upon test, any measuring equipment is found to be in error not more than 2%, previous recordings of such equipment shall be considered accurate in computing deliveries hereunder; but such equipment shall be adjusted at once to record correctly.

If, upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding 2%, any previous recordings of such equipment shall be corrected to zero (0) error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period extending over one-half of the time elapsed since the date of last test, not exceeding a correction period of sixteen (16) days.

4.9 Preservation of Records

Each party shall preserve for a period of at least three (3) years all test data, charts and other similar records.

5. <u>BILLING AND PAYMENT</u>

5.1 <u>Invoices</u>

Transporter's invoice shall be based on actual measurement information when such information is available; otherwise, estimates based on the best available information shall be used. With respect to receipt or delivery points covered by an Operational Balancing Agreement, pursuant to Section 14.2 of these General Terms and Conditions, Transporter's invoice shall be based on scheduled quantities. When information necessary for billing purposes is in the control of Buyer, Buyer shall furnish such information to Seller on or before the fifth (5th) day following the date of the final meter reading of each month.

5.2 <u>Payments</u>

Shipper shall pay Transporter by wire transfer of Federal Funds which are made immediately available to Transporter at such bank account as Transporter shall designate, on or before the twenty-fifth (25th) day of the month in which the invoice is received, for all services rendered by Transporter during the preceding billing period, as shown by the invoice, except when the twenty-fifth (25th) day of the month is a Saturday or Sunday or federal bank holiday, in which case payment is due on the following business day. Provided, however, a Shipper whose monthly invoice total amount due is less than \$50,000.00 may elect to make payment by check to be received by Transporter on or before the twenty-fifth (25th). Transporter, in its sole discretion, reserves the right to waive Shipper's underpayment on a final invoice of an inactive account if the underpayment amount is trivial. As set forth in NAESB Standard 3.3.18, "[i]dentify invoice number(s) on all payments."

5.3 <u>Verification and Correction of Errors</u>

Both Transporter and Shipper shall have the right to examine, at reasonable times, books, records, and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions of the underlying gas sales contract or transportation contract. As set forth in NAESB Standard 3.3.15, "Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period, excluding government-required rate changes. This standard shall not apply in the

case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by this standard. Mutual agreement between parties, legal decisions, and regulatory guidance may be necessary to determine if the event qualifies for an extension of the above time periods."

5.4 Delayed Payment

Should Shipper fail to pay all of the amount of any invoice, as herein provided, when such amount is due, interest on the unpaid portion of the invoice shall accrue at the then effective prime interest rate (JPMorgan Chase Bank, NA). Transporter may suspend service to any Shipper which is delinquent in payments, provided that Transporter shall give Shipper written notice of the delinquency and of Transporter's intent to suspend if the delinquency is not remedied within fifteen (15) days of the date of the notice. Transporter may terminate service to any Shipper which is delinquent in payments, provided Transporter shall give Shipper written notice of the delinquency and of Transporter shall give Shipper written is delinquent in payments, provided Transporter shall give Shipper written notice of the delinquency and of Transporter's intent to curtail or terminate if the delinquency is not rendered within thirty (30) days of the notice and then only upon written notice to the Commission and, if required by the Commission's regulations, authorization by the Commission.

However, if Shipper in good faith shall dispute the amount of any such invoice or part thereof and shall pay to Transporter such amounts as it concedes to be correct, accompanied by documentation identifying the basis for the dispute, and at any time within thirty (30) days after a demand made by Transporter, shall furnish good and sufficient surety bond, guaranteeing payment to Transporter of the amount ultimately found due upon such bills after a final determination which may be reached either by agreement or judgment of the courts, as may be the case, then Transporter shall not be entitled to suspend or terminate service on account of such disputed claim while so secured, until default be made in the conditions of such bond.

Transporter, in its sole discretion, reserves the right to waive trivial interest upon receipt of payment for all outstanding balances, excluding such interest.

5.5 <u>Delay in Billing</u>

If presentation of an invoice to Shipper is delayed after the ninth (9th) business day of the month, the time of payment shall be extended accordingly by Transporter, unless Shipper is responsible for such delay.

6. <u>POSSESSION OF GAS AND RESPONSIBILITY</u>

Unless otherwise provided in the transportation contract or Transporter's applicable Rate Schedule, as between Transporter, Operator and Shipper, Shipper (or, where an interconnection agreement between Transporter and Operator is in effect with respect to an interconnection, Operator) shall be deemed to be in exclusive control and possession of the gas to be transported prior to receipt by Transporter at the receipt point(s) and Shipper shall be deemed to be in exclusive control and possession of such gas after delivery by Transporter at the delivery point(s); otherwise Transporter shall be deemed to be in exclusive control and possession of such gas after delivery by Transporter at the delivery point(s); otherwise Transporter shall be deemed to be in exclusive control and possession of the gas. Subject to Subsection 2.3 of these General Terms and Conditions, the party which shall have exclusive control and possession of the gas shall have sole responsibility on account of anything which may be done, happen or arise with respect to said gas while in such party's exclusive control and possession.

7. WARRANTY OF TITLE TO GAS

This Section 7 shall apply to all transportation service unless otherwise provided in the applicable Rate Schedule or Service Agreement. Shipper (or, where an interconnection agreement between Transporter and Operator is in effect with respect to an interconnection, Operator) warrants for itself, its agents, its principals, successors and assigns, that it will have good title or the good right to deliver the gas at the time of delivery to Transporter for transportation hereunder or, in the case of a transfer of storage balance under Section 32 of these General Terms and Conditions, at the time of transfer to Shipper's Storage Balance. Shipper (or Operator, where applicable as set forth above) warrants for itself, its agents, its principals, successor and assigns, that the gas it warrants hereunder shall be free and clear of all liens, encumbrances and claims whatsoever, and except insofar as Shipper or Operator is in breach of its obligations or has an obligation to indemnify and save Transporter harmless pursuant to this Section 7, Transporter agrees to indemnify and save Shipper harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising out of adverse claims of any and all persons to the natural gas during its transportation by Transporter for Shipper's account.

Shipper (or Operator, where applicable as set forth above) agrees to indemnify Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising from or out of any adverse claims of any and all persons to said gas and/or to royalties, taxes, license fees, or charges thereon which are applicable for such delivery of gas to Transporter or any required upstream or downstream transportation and to indemnify Transporter and save it harmless from all taxes or assessments which may be levied and assessed upon such delivery or transportation and which are by law payable by and the obligation of the party making such delivery or performing such transportation.

If Shipper's title or right to deliver gas to be transported, or the title or right to deliver gas of the Operator of a receipt point utilized by Shipper, is questioned or involved in any action, Shipper shall not qualify for or shall be ineligible to continue to receive service hereunder until such time as Shipper's title or right to deliver is free from question; provided, however, Transporter shall allow Shipper to qualify for or continue receiving service hereunder if Shipper furnishes a bond satisfactory to Transporter. Title to the gas received by Transporter at the receipt point(s) shall not pass to Transporter, except that title to gas delivered for Transportation Fuel and Company Use Retention, Transportation LAUF Retention or Storage Operating and LAUF Retention shall pass to Transporter.

8. <u>FORCE MAJEURE AND REMEDIES</u>

8.1 <u>Relief from Liability</u>

No party shall be liable in damages to another for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, power outages, telecommunications failure, breakage or accident to machinery or lines of pipe, line freeze-ups, temporary failure of gas supply, the binding order of any court or governmental authority and any other cause, whether of the kind herein enumerated, or otherwise and whether caused or occasioned by or happening on account of the act or omission of one of the parties to the agreement or some person or concern not a party thereto, not within the reasonable control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension.

8.2 Liabilities Not Relieved

Such causes or contingencies affecting the performance of any agreement by either party, however, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting the performance of said agreement relieve either party from its obligations to make payments of amounts due thereunder, nor shall such causes or contingencies relieve either party of liability unless such party shall give notice and full particulars of the same in writing or by telegraph to the other party as soon as possible after the occurrence relied on.

8.3 <u>Termination of Agreement</u>

If either party shall fail to perform any of the covenants or obligations imposed upon it by an agreement executed pursuant to this tariff, then in such event the other party may at its option terminate said agreement by proceeding as follows: the party not in default shall cause a written notice to be served on the party in default stating specifically the cause for terminating the agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon, the party in default shall have thirty (30) days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice for terminating the agreement, and if within said period of thirty (30) days the party in default does so remove and remedy said cause or causes and fully indemnify the party not in default for any and all consequences of such breach, then such notice shall be withdrawn and the agreement shall continue in full force and effect.

In case the party in default does not so remedy and remove the cause or causes or does not indemnify the party giving the notice for any and all consequences of such breach within said period of thirty (30) days, the agreement shall terminate; provided, however, that Transporter may not terminate a Service Agreement until it has obtained the authorization required by valid laws, order, rules and regulations of duly constituted authorities having jurisdiction. Any termination of a Service Agreement pursuant to the provisions of this Section 8.3 shall be without prejudice to the right of Transporter to collect any amounts then due to Transporter for services rendered prior to the time of termination, and shall be without prejudice to the right of Shipper to receive any service which it has not received, but for which it has paid prior to the time of termination, and without waiver of any remedy to which the party not in default may be entitled for violations of the Service Agreement.

The provisions of this Subsection 8.3 of Section 8 shall be in addition to such other remedies as would be available under Subsection 5.4 of Section 5 hereof.

8.4 <u>Waiver of Claims</u>

Except as expressly provided hereunder, in the absence of negligence or willful misconduct on the part of Transporter, Shipper waives any and all claims and demands against Transporter, its officers, employees or agents, arising out of or in any way connected with:

- (a) the quality, use or condition of the gas after delivery from Transporter for the account of such Shipper;
- (b) any losses to shrinkage of gas during or resulting from transportation hereunder, and
- (c) all other claims and demands arising out of Transporter's performance of its duties hereunder.

9. <u>WEB SITE</u>

9.1 <u>General Features</u>

- (a) A Shipper or other party with the hardware and software necessary to access an Internet site may be a Web Site User. A Web Site User that has completed a "System License Agreement", available on Transporter's web site, can transact business on Transporter's web site. Transporter reserves the right to provide enhancements to the web site at its sole discretion; provided, however, all such enhancements, when fully operational, shall be available to all Web Site Users.
- (b) The web site provides a search function that permits a Web Site User to locate information within documents on the web site. The web site permits Web Site Users to electronically download information from the web site. Transporter shall maintain and retain daily back-up records of the information displayed on the web site for three (3) years and permit interested parties to review those records. Completed transactions will remain on the web site for at least ninety (90) days after completion and will then be archived. Archived information is available from Transporter within two (2) weeks of its receipt of a request for such information. Information on the most recent entries will appear ahead of older information.

9.2 Information Available on the Web Site

Transporter shall make the following information available on the web site:

- (a) notices (such as operational flow orders and other operational notices), which shall be segregated into critical and non-critical notices;
- (b) operationally available and unsubscribed capacity, as further set forth in Section 9.3 hereof;
- (c) information required by applicable Commission regulations regarding marketing affiliates;
- (d) an index of customers;

- (e) Transporter's effective FERC Gas Tariff (Volume No. 1);
- (f) postings of information concerning capacity reallocation transactions pursuant to Section 10 of these General Terms and Conditions;
- (g) postings of notices of termination and bids pursuant to Section 11 of these General Terms and Conditions;
- (h) postings of available capacity pursuant to Section 26 of these General Terms and Conditions; and
- (i) all other information required by the Commission's regulations or this tariff to be posted on the web site.
- 9.3 Available Capacity
 - (a) Transporter shall post information on the web site, on a timely basis, and make such data available via EDI, about the availability of firm and interruptible capacity:
 - (1) at Point(s) of Receipt for which Transporter receives realtime measurement information;
 - (2) on Transporter's mainline(s);
 - (3) at Point(s) of Delivery for which Transporter receives realtime measurement information; and
 - (4) in Transporter's storage system.

The web site shall also disclose whether the capacity is available from Transporter directly, or through Transporter's capacity reallocation mechanism as set forth in Section 10 of these General Terms and Conditions. Transporter shall provide on request operationally available capacity separate from unsubscribed capacity.

- (b) Additionally, Transporter shall maintain both in written form and on the web site a Master Receipt and Delivery Point List containing the following information for each Point:
 - (1) name of the Point of Receipt;

- (2) meter number of the Point of Receipt;
- (3) location (legal description) of Point of Receipt;
- (4) Operator name and phone number to the extent available;
- (5) availability of measurement information from a supervisory control and data acquisition ("SCADA") system;
- (6) design capacity; and
- (7) any firm capacity already assigned at such point;

Such information shall be updated promptly whenever a Point of Receipt of Delivery is added to the system.

(c) The web site will not include as "available capacity" any capacity which would be created by a backhaul, displacement or exchange. A party who wishes to inquire whether there is available capacity on a specific transportation path not shown on the web site may make that inquiry to Transporter's Transportation and Exchange Department.

9.4 <u>Startup</u>

Any person wishing to access the web site should contact:

National Fuel Gas Supply Corporation T&E Department MSW #5 365 Mineral Spring Road Buffalo, New York 14210 Attention: Web Site Administrator

9.5 <u>Warranties</u>

Transporter warrants that, without the express consent of a Web Site User or as required by applicable law or regulation, no employee or agent of Transporter will disclose to any third party any information regarding research performed through the use of the web site by such Web Site User.

10. <u>CAPACITY RELEASE</u>

This Section 10 sets forth a firm capacity release mechanism pursuant to which Existing Shippers can voluntarily release and assign all or part of their firm capacity rights to a Potential Shipper or a Prearranged Shipper that wants to obtain that firm capacity. Existing Shippers may release and assign their firm capacity on Transporter only under this Section 10 of these General Terms and Conditions.

Except as otherwise specifically provided, written notices described in this Section 10 must be addressed to:

National Fuel Gas Supply Corporation Transportation and Exchange Department 6363 Main StreetWilliamsville, New York 14221

Notices via facsimile transmission described in this Section 10 must be transmitted to (716) 857-7310.

Notices via email described in this Section 10 must be transmitted to <u>NFGSCscheduling@natfuel.com</u>.

10.1 <u>Capacity Eligible For Release</u>:

Shippers under the FT, EFT, FST, FT-S, FSS and ESS Rate Schedules are permitted to release their firm capacity in whole or in part, on a permanent or temporary basis, and on a recallable or non-recallable basis. Such Existing Shipper may propose an entity (herein called Prearranged Shipper) to obtain its released capacity from Transporter.

10.2 <u>Notice Required by Existing Shipper:</u>

(a) Notice by Existing Shipper

An Existing Shipper that wants to release any or all of its capacity must notify Transporter that it wants to release such capacity and the terms and conditions of such release (hereinafter called "Shipper's Notice"). Such Shipper's Notice may be communicated via written notice, facsimile transmission, email or via Transporter's web site. Notices of Prearranged Deals may be transmitted via EDM. Such Shipper's Notice shall provide the terms and conditions of the release as follows:

- (i) on a permanent or temporary basis;
- (ii) on a recallable or non-recallable basis, and if recallable, whether the capacity is recallable at the Timely, Evening, Intraday 1, Intraday 2, Intraday 3, and Early Evening notification periods;
- (iii) As set forth in NAESB Standard 5.3.28, "[r]elease quantity should be expressed as a numeric quantity only," provided that
 - (A) an Existing Shipper proposing a Decoupled Release, as defined in Section 10.13 hereof, shall so indicate and shall include the Maximum Daily Injection Quantity and Maximum Daily Withdrawal Quantity to be applicable to the Replacement Shipper, and such release shall be subject to the limitations set forth in Section 10.13 hereof, and
 - (B) a notice requesting a release of capacity subject to an ESS Service Agreement must be accompanied by a notice requesting a corresponding release of capacity subject to an EFT Service Agreement of a quantity equal to the Maximum Daily Withdrawal Quantity associated with the storage capacity to be released, and for a coincident term. As set forth in NAESB Standard 5.3.29, "[b]asis for released quantity should be per day for transportation, storage injection, storage withdrawal, and a per-

release quantity for storage capacity and total release period quantity;"

- (iv) location of capacity to be released, and receipt and delivery points associated therewith, each of which points must be either (a) a primary receipt or delivery point under the source agreement, or (b) a secondary receipt or delivery point as set forth in Section 2.4 of the EFT, FT or FT-S Rate Schedule, or Section 2.5 of the FST Rate Schedule provided that, in the case of a segmented release as described at Section 2.8 of the FT and FT-S Rate Schedules, each receipt and delivery point must be a primary receipt point or a primary or secondary delivery point located along the Existing Shipper's transportation path;
- (v) the source agreements;
- (vi) the period of time or term (which must commence at the start of a day and expire at the end of a day), including any right of recall;
- (vii) the length of time the Existing Shipper's notice is to be posted, but not later than the time set by Section 10.3(a);
- (viii) any Prearranged Shipper (which must appear on Transporter's approved bidder list) proposed by the Existing Shipper to obtain released capacity under the rates, terms and conditions contained in the Shipper's Notice, (a) where the term of the proposed release is 31 days or less, whether the Existing Shipper wants Transporter to solicit bids for the capacity to be released, or (b) whether the release is exempt from the competitive bidding procedure because the release is for a term of more than one year at the maximum tariff rate or because the Prearranged Shipper is either an asset manager under an asset management agreement as defined in Section 284.8(h)(3) of the Commission's regulations, or a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations;

- (ix) As set forth in NAESB Standard 5.3.26, "[t]he Releasing Shipper should specify which one of the following methods is acceptable for bidding on a given capacity release Offer:
 - Non-Index-based release dollars and cents,
 - Non-index-based release percentage of maximum rate, or
 - Index-based formula as detailed in the capacity release offer.

The Bids for the given capacity release Offer should adhere to the method specified by the Releasing Shipper;"

- (x) the standard(s) to be utilized by Transporter for determining the best bid for the capacity to be released and for selecting among more than one "best bid" (if different from the standards set forth at Section 10.5(a) hereof, which standards must be objectively stated, applicable to all Potential Shippers, and non-discriminatory);
- (xi) As set forth in NAESB Standard 5.3.8, "Reput method and rights should be specified at the time of the deal. Reput method and rights are individually negotiated between the Releasing Shipper and Replacement Shipper;"
- (xii) whether volumetric bids or bids based upon other variants of the rates applicable to the capacity to be released are to be solicited;
- (xiii) whether the Existing Shipper requests the assistance of Transporter's Commercial Services Department in locating Potential Shippers for the capacity to be released;
- (xiv) whether the Replacement Shipper will be required to enter into an agreement with the Existing Shipper, and if so, a description of the terms and conditions of such agreement; and where the release is to an asset manager under an asset management agreement as defined in Section 284.8(h)(3) of the Commission's regulations, the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect;

- (xv) whether Potential Shippers may submit bids subject to contingencies that extend beyond the posting period applicable to the notice;
- (xvi) whether the Existing Shipper requests a release of further obligations to Transporter, as described in Section 10.7 hereof; and
- (xvii) whether Potential Shippers will be required to pay for the capacity to be released at a rate (not to exceed Transporter's maximum applicable rate) based on published index prices for specific receipt and/or delivery points or other agreed upon published pricing reference points, consistent with Section 39(f) of these General Terms and Conditions.
- (b) As set forth in NAESB Standard 5.3.14, "Offers should be binding until notice of withdrawal is received by the Transportation Service Provider on its Customer Activities Web site." As set forth in NAESB Standard 5.3.16, "[t]he releasing party has the right to withdraw its Offer during the bid period, where unanticipated circumstances justify and no minimum Bid has been made." The withdrawal must be via written notice, facsimile transmission or through email, or via EDM, including an affidavit establishing unanticipated circumstances justifying the withdrawal. An Existing Shipper's Notice of a Prearranged Deal transmitted via EDM must be withdrawn via EDM.
- (c) Transporter will support the function of reputting by releasing Shippers.

10.3 <u>Posting of Shipper's Notices</u>

(a) Except as set forth in Section 10.3(b), Existing Shipper may deliver its completed notice to Transporter on any business day, but in order to be posted on the same day it must be received by Transporter no later than the deadline for offers set forth in Section 10.3(c).

If Shipper provides Transporter with a notice by means other than Transporter's web site, Transporter shall post Existing Shipper's completed notice on Transporter's web site upon receipt or as requested by Existing Shipper. If the Existing Shipper requests a posting time, Transporter will support such request insofar as it comports with the standard timeline set forth in this Section 10.

As set forth in NAESB Standard 5.3.12:

Bids and Offers should be complete before being posted. Only posted Offers and Bids should be available electronically.

(b) Where an Existing Shipper's Notice requests a release of capacity to a Prearranged Shipper on Transporter's approved bidder list (i) for a term of 31 days or less and the Existing Shipper has not requested that its notice be posted for purposes of soliciting competitive bids, (ii) for a term of more than one year at the maximum tariff rate, or (iii) where the Existing Shipper's Notice designates the release as exempt from the competitive bidding procedure because the Prearranged Shipper is either an asset manager under an asset management arrangement as defined in Section 284.8(h)(3) of the Commission's regulations, or a marketer participating in a stateregulated retail access program as defined in Section 284.8(h)(4) of the Commission's regulations, the notice will be posted for informational purposes only, and not to solicit bids. This Section 10.3(b) shall not be applicable to the posting of Existing Shipper Notices requesting a continuation of a release transaction previously posted for informational purposes only pursuant to clause (i) of this Section 10.3(b), or a renewal of such a previously posted transaction unless at least twenty-eight days have elapsed since the expiration of such transaction.

(c) Capacity release timeline:

As set forth in NAESB Standard 5.3.1:

[t]he capacity release timeline applies to all parties involved in the capacity release process provided that: 1) all information provided by the parties to the transaction is valid and the acquiring shipper has been determined to be creditworthy before the capacity release bid is tendered, 2) for index-based capacity release transactions, the Releasing Shipper has provided the Transportation Service Provider (TSP) with sufficient instructions to evaluate the corresponding bid(s) according to the timeline, and 3) there are no special terms or conditions of the release. Further, the TSP may complete the capacity release process on a different timeline if the Offer includes unfamiliar or unclear terms and conditions (e.g. designation of an index not supported by the TSP).

The capacity release timeline will also not apply if the Existing Shipper requests a release from further obligations under its service agreement pursuant to Section 10.7 hereof.

As set forth in NAESB Standard 5.3.2:

For biddable releases (1 year or less):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season ends at 10:00 a.m. on the same or a subsequent Business Day.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made, and ties are broken.
- If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.
- The contract is issued within one hour of Award posting (with a new contract number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

For biddable releases (more than 1 year):

- Offers should be tendered such that they can be posted by 9:00 a.m. on a Business Day.
- Open season shall include no less than three 9:00 a.m. to 10:00 a.m. time periods on consecutive Business Days.
- Evaluation period begins at 10:00 a.m. during which any contingencies are eliminated, determination of best Bid is made and ties are broken.
- If no match is required, the evaluation period ends and the Award is posted by 11:00 a.m.
- Where match is required, the match is communicated by 11:00 a.m., the match response occurs by 11:30 a.m., and the Award is posted by 12:00 Noon.
- The contract is issued within one hour of Award posting (with a new contract number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

For non-biddable releases:

The posting of prearranged deals that are not subject to bid are due no later than one hour prior to the nomination deadline for the applicable cycle, pursuant to NAESB WGQ Standard No. 1.3.2. The posting deadlines are:

- Timely Cycle 12:00 Noon
- Evening Cycle 5:00 p.m.
- Intraday 1 Cycle 9:00 a.m.
- Intraday 2 Cycle 1:30 p.m.
- Intraday 3 Cycle 6:00 p.m.
- The contract is issued within one hour of the Award posting (with a new contract number, when applicable).
- Nomination is possible beginning at the next available nomination cycle for the effective date of the contract.

10.4 <u>Bidding Procedure</u>

(a) During the posting period applicable to an Existing Shipper's Notice that is subject to competitive bidding, Transporter will accept bids from Potential Shippers on Transporter's approved bidder list for the capacity proposed to be released. A request to be added to Transporter's approved bidder list must be tendered to Transporter in writing to:

> National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221

Such requests must include the information required by Section 31 of these General Terms and Conditions and by Transporter's Transportation Service Request Form as posted on the web site from time to time. To be placed on and to remain on Transporter's approved bidder list, a Potential Shipper must satisfy, initially and on a continuing basis, Transporter's credit requirements as outlined in Section 31 of these General Terms and Conditions and execute and maintain in force a Master Service Agreement for Capacity Release Transactions in the form set forth herein as Form 9.010.

(b) Bids may be submitted by Potential Shippers to Transporter via a written notice, facsimile transmission, or email during the posting period applicable to the Existing Shipper's Notice. Transporter will post the terms of each complete bid, but will not post the identity of the bidder, on the web site. Posted bids shall be accessible via EDM.

Transporter shall reject bids which do not match or exceed any minimum rate or term specified by the Existing Shipper's Notice, or are in other respects incomplete or non-responsive to such notice. No rate limitation applies for releases of capacity for a term of one year or less if the release is to take effect on or before one year from the date on which Transporter is notified of the release; otherwise

 (i) any bid received by Transporter offering to pay rates in excess of Transporter's applicable maximum rates, inclusive of surcharges, shall be treated by Transporter as an offer to pay rates equal to Transporter's applicable maximum rates, inclusive of surcharges, and no payments may be made or accepted at rates in excess of Transporter's applicable maximum rates, inclusive of surcharges, and

- (ii) where the Existing Shipper has specified that volumetric bids or bids based upon other variants of the rates applicable to the capacity to be released will be accepted, any bid which has a one hundred percent (100%) load factor derivative more than the one hundred percent (100%) load factor derivative of the maximum rates applicable to the capacity to be released shall be deemed to be a bid offering to pay rates in excess of Transporter's applicable maximum rates. Potential Shippers may revise their bids during the posting period. Potential Shippers may not submit multiple bids for the same package of capacity.
- (c) As set forth in NAESB Standard 5.3.13, "[b]ids should be binding until notice of withdrawal is received by the Transportation Service Provider on its Customer Activities Web Site." As set forth in NAESB Standard 5.3.15, "[b]ids cannot be withdrawn after the bid period ends." Following the withdrawal of a bid, a Potential Shipper may not submit a bid lower than the bid withdrawn during the remainder of the posting period. For this purpose, bids will be determined to be "higher" or "lower" than the withdrawn bid by application of the standard applicable to the determination of best bid, as set forth in Section 10.5.

10.5 Determination of Best Bid

(a) Upon the conclusion of the posting period, Transporter shall determine the "best bid" for the capacity described in an Existing Shipper's Notice by applying the standard described by the Existing Shipper pursuant to Section 10.2(a)(x) hereof, or, if no standard was so described, Transporter shall make such determinations according to which bid would generate the revenue stream with the greatest net present value, without assuming any throughput, applying as the discount rate the rate under Section 154.501 of the Commission's regulations.

As set forth in NAESB Standard 5.3.3:

[f]or the capacity release business process timing model, only the following methodologies are required to be supported by Transportation Service Providers (TSPs) and provided to Releasing Shippers as choices from which they may select and, once chosen, should be used in determining the Awards from the bid(s) submitted. They are:

> 1) highest rate, 2) net revenue, and 3) present value. For index-based capacity release transactions, the Releasing Shipper should provide the necessary information and instructions to support the chosen methodology.

Other choices of bid evaluation methodology (including other Releasing Shipper defined evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of the TSP. However, the TSP is not required to offer other choices or similar timeline treatment for other choices, nor, is the TSP held to the timeline should the Releasing Shipper elect another method of evaluation.

(b) Unless its bid is matched by a Prearranged Shipper, the released capacity shall be awarded to the Potential Shipper submitting the "best bid". If more than one Potential Shipper submits bids that each qualifies as a "best bid", the released capacity will be awarded to the Potential Shipper who submitted the "best bid" first in time, unless a different tie-breaking method is specified by the Existing Shipper.

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(c) Any contingencies in bids must be satisfied during the evaluation period specified in Section 10.3(c). As set forth in NAESB Standard 5.3.4, "[w]hen the Transportation Service Provider (TSP) makes awards of capacity for which there have been multiple Bids meeting minimum conditions, the TSP should award the Bids, best Bid first, until all the offered capacity is awarded."

10.6 <u>Awards</u>

As set forth in NAESB Standard 5.3.11, "[t]he Replacement Shipper initiates confirmation of prearranged deals electronically." Transporter shall communicate the award via email, facsimile or Transporter's web site to the Potential Shipper or Prearranged Shipper. The communication of an award under a Master Service Agreement for Capacity Release Transactions generates a corresponding posting and is the means by which Transporter shall satisfy its obligation under NAESB Standard 5.3.2 to issue a contract within one hour of award posting.

Once a bid that meets the required terms and conditions of Existing Shipper's Notice is submitted, it is binding unless withdrawn before the close of the bid period. The capacity shall be awarded to the Potential Shipper that submitted the best bid, in relation to the applicable standard. If a Prearranged Shipper is identified in Existing Shipper's Notice, then the release shall be awarded to the Prearranged Shipper (i) if its bid is equal to or higher than the bids submitted by all Potential Shippers, determined in accordance with Section 10.5, or (ii) the Prearranged Shipper agrees to match any bid having a higher value within the time period provided in Section 10.3(c). In the event that a Prearranged Shipper is identified in an Existing Shipper's Notice that is exempt from the competitive bidding procedure, the Prearranged Shipper shall enter its bid, and the capacity shall be awarded to the Prearranged Shipper by Transporter.

As noted above, Transporter shall post the award on its web site, including the name of the successful bidder and the terms of the successful bid. Upon posting, the capacity release award shall become effective and the successful bidder shall become the Replacement Shipper, with its bid for capacity constituting a contractual signature with respect to the service agreement, creating a binding contract between the parties. Once capacity is awarded and posted, Transporter will accept nominations at the start of the next available nomination cycle for the effective date of the contract.

Before an awarded No-Notice Storage contract is available to accept nominations, the Replacement Shipper must either link the contract to a No-Notice Transportation contract, roll inventory from an expiring No-Notice Storage contract to the new contract, or opt to do neither, via the web site.

10.7 Obligations of Existing Customer

The service agreements of the Existing Shipper releasing capacity will remain in full force and effect, with a portion of the proceeds attributable to any release credited to the Existing Shipper's bill as provided in Section 10.9 hereof. The Existing Shipper shall remain liable to Transporter under the terms of its service agreement with Transporter during and irrespective of any assignments of the rights and obligations under the service agreement for all reservation, demand and capacity charges, and any surcharges applicable to such charges, but excluding commodity or usage charges and imbalance penalties.

Where an Existing Shipper proposes to release or has released all its capacity to a Replacement Shipper for the entire remaining term of the applicable service agreement between Transporter and the Existing Shipper, the Existing Shipper may request Transporter to release the Existing Shipper from any further obligations to Transporter upon the effectiveness of a new source service agreement between Transporter and the Replacement Shipper. Transporter shall be under no obligation to grant such requests unless the Replacement Shipper (i) agrees to pay for the released capacity at Transporter's maximum rates and (ii) demonstrates to Transporter that it possesses sufficient financial stability, or if it provides such security as is necessary, to make Transporter reasonably secure that the Replacement Shipper will pay for service on a timely basis throughout the remaining term of the service agreement between Transporter and the Existing Shipper. Transporter shall exercise its discretion under this provision in a non-discriminatory manner.

As set forth in the first paragraph of this Section 10, the capacity release timeline will not be applicable if the Existing Shipper requests Transporter to release it from further obligations; provided however, that said timeline shall apply if the Existing Shipper's notice expressly indicates that the release is not contingent upon Transporter's determination under this provision. In no event shall the communication of an award pursuant to Section 10.6 be deemed as the grant of a request to release the Existing Shipper from further obligations to Transporter.

10.8 <u>Rights and Obligations of Replacement Shippers</u>

- (a) Subject to the provisions of Subsections (b)-(g) of this Section 10.8, once the Replacement Shipper obtains an award of capacity subject to a service agreement with Transporter, the Replacement Shipper becomes an Existing Shipper like any other Shipper and is subject to the provisions set forth in this FERC Gas Tariff including all requirements concerning nominations and scheduling. In addition, the Replacement Shipper as an Existing Shipper (hereinafter called a "Secondary Existing Shipper") may also release its capacity pursuant to this section.
- (b) Upon termination of a source service agreement or a capacity award under a Master Service Agreement for Capacity Release Transactions by reason of shipper default, Transporter shall have the right to terminate any Replacement Shipper's capacity award derived from that agreement or award in default, whether the Replacement Shipper obtained its capacity award in a release by the defaulting shipper or by a non-defaulting Secondary Existing Shipper.
- (c) In order to exercise its right under subsection 10.8(b), Transporter must cause a written notice to be served on the Replacement Shipper, at least thirty (30) days prior to the effective date of termination of the capacity award. Such notice shall inform the Replacement Shipper of the following:
 - (i) that notice of termination has been served upon the defaulting shipper;
 - (ii) that such termination notice informed the defaulting shipper of Transporter's intent to terminate its agreement or award if the cause for termination is not remedied within thirty (30) days after the service of such notice;
 - (iii) that the Replacement Shipper's capacity award will be terminated if such cause for termination of the defaulting shipper's agreement or award has not been remedied within such time period;
 - (iv) except in the situation described in subsection 10.8(c)(v), that at any time within thirty (30) days following the service

of such written notice, the Replacement Shipper may submit a service request for a new source agreement for its awarded capacity (<u>i.e.</u>, the Replacement Shipper's capacity entitlement for the remainder of the term of the award) at the lower of (A) the rates applicable to the defaulting shipper's agreement or award or (B) Transporter's maximum rates;

- (v) with respect to a Replacement Shipper with an award of a geographically segmented portion of the capacity subject to the defaulting shipper's agreement or award, that at any time within thirty (30) days following the service of such written notice, the Replacement Shipper may submit a request for a new source service agreement for the Replacement Shipper's Contract Maximum Dailv Transportation Quantity along the defaulting shipper's full capacity path for the remainder of the term of the Replacement Shipper's capacity award at the lower of (A) the rates applicable to the defaulting shipper's agreement or award or (B) Transporter's maximum rates; and
- (vi) an explanation of shipper's rights as described in Subsections 10.8(d)-(g).
- (d) Subject to Subsections 10.8(e)-(f), if (i) the Replacement Shipper submits a service request within the period of time specified in Subsection 10.8(c)(iv) or (v); (ii) the Replacement Shipper satisfies the service qualification requirements set forth in Section 31 of this tariff; and (iii) the termination of the defaulting shipper's agreement or award becomes effective, Transporter shall tender the requested source agreement for execution by the Replacement Shipper.
- (e) If Transporter receives more than one timely service request under this Section 10.8 from qualified Replacement Shippers for the same awarded capacity in the situation where the capacity released by the defaulting shipper has been re-released by its Replacement Shipper, such service requests will be prioritized in the order in which the capacity releases occurred (<u>i.e.</u>, a Replacement Shipper closer to the defaulting shipper in the sequence of successive releases will have priority over a Replacement Shipper further from the defaulting shipper in such sequence). In this case, all capacity awards derived from the award qualifying for the highest priority will remain in effect pending and following execution of the new source

agreement between Transporter and the Replacement Shipper with the highest priority, and such Replacement Shipper's rights to such capacity will be subject to the rights included in such other capacity awards.

- (f) If Transporter receives more than one timely service request under this Section 10.8 from qualified Replacement Shippers in the situation described in Subsection 10.8(c)(v), with the same priority as determined by Subsection 10.8(e), Transporter shall allocate capacity among such Replacement Shippers in proportion to the maximum transportation quantities specified in such shippers' awards.
- (g) If the Replacement Shipper fails to execute and return the agreement tendered by Transporter within the period of time specified by Transporter, which period shall be at least five (5) business days from the time the agreement is forwarded by Transporter, the Replacement Shipper shall have no further rights under this Section 10.8. In such case, the formerly awarded capacity shall be offered to the qualified Replacement Shipper that submitted a timely service request with the next highest priority, if any, under the same conditions. In the absence of other such requests, the capacity shall be posted and service requests therefor will be solicited in accordance with Section 26 of these General Terms and Conditions.

10.9 <u>Billing Adjustments</u>

Transporter shall credit the bill of the Existing Shipper with any reservation, demand or capacity charges (including surcharges thereon) billed to a Replacement Shipper utilizing capacity released by the Existing Shipper; provided, however, that should a Replacement Shipper (including a Replacement Shipper of any Secondary Existing Shipper) default on its obligation to make timely payment for the charges billed by Transporter, such credit shall be reversed, as of the date the credit was made, and the Existing Shipper shall be liable for such charges, together with interest as set forth in Section 5.4 of these General Terms and Conditions. The bill of the Existing Shipper shall be credited with any reservation, demand or capacity charges (including surcharges thereon) received by Transporter subsequent to the reversal of such credit.

The rate paid by a Replacement Shipper in any capacity release transaction which is not subject to Transporter's maximum rate pursuant to Section 284.8(b)(2) of the Commission's regulations will be deemed to be a final rate and is not subject to refund.

10.10 Marketing Assistance

If the Existing Shipper requests the assistance of Transporter's Commercial Services Department in locating a replacement shipper, a representative from such department shall contact the Existing Shipper and discuss the services that are available at such time and the fees for such services. If the Existing Shipper and Transporter enter into a mutually agreeable marketing assistance arrangement, Transporter shall bill the Existing Shipper according to the terms of such agreement.

10.11 Intraday Recalls of Capacity

(a) Releasing shippers may, to the extent permitted as a condition of the capacity release, recall released capacity (scheduled or unscheduled). As set forth in NAESB Standard 5.3.44:

All Transportation Service Providers (TSPs) should support the following recall notification periods for all released capacity subject to recall rights:

- (i) Timely Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 8:00 a.m. on the day that Timely Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 9:00 a.m. on the day that Timely Nominations are due;
- (ii) Early Evening Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 3:00 p.m. on the day that Evening Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 4:00 p.m. on the day that Evening Nominations are due;
- (iii) Evening Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 5:00 p.m. on the day that Evening Nominations are due;

- (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 6:00 p.m. on the day that Evening Nominations are due;
- (iv) Intraday 1 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 7:00 a.m. on the day that Intraday 1 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 8:00 a.m. on the day that Intraday 1 Nominations are due;
- (v) Intraday 2 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 12:00 p.m. on the day that Intraday 2 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 1:00 p.m. on the day that Intraday 2 Nominations are due;
- (vi) Intraday 3 Recall Notification:
 - (a) A Releasing Shipper recalling capacity should provide notice of such recall to the TSP and the first Replacement Shipper no later than 4:00 p.m. on the day that Intraday 3 Nominations are due;
 - (b) The TSP should provide notification of such recall to all affected Replacement Shippers no later than 5:00 p.m. on the day that Intraday 3 Nominations are due.

(b) As set forth in NAESB Standard 5.3.45:

For recall notification provided to the Transportation Service Provider (TSP) prior to the recall notification deadline specified in NAESB WGQ Standard No. 5.3.44 and received between 7:00 a.m. and 5:00 p.m., the TSP should provide notification to all affected Replacement Shippers no later than one hour after receipt of such recall notification.

For recall notification provided to the TSP after 5:00 p.m. and prior to 7:00 a.m., the TSP should provide notification to all affected Replacement Shippers no later than 8:00 a.m. after receipt of such recall notification.

(c) As set forth in NAESB Standard 5.3.54:

The deadline for notifying the Transportation Service Provider of a reput is 8:00 a.m. to allow for timely nominations to flow on the next Gas Day.

(d) In the event capacity is recalled for any Intraday Nomination Cycle, the fixed charges for that day applicable to the Recalling Shipper shall be the fraction of the day remaining after such recall, times the daily equivalent of the monthly fixed charges under the source agreement, and the fixed charges for that day applicable to the Replacement Shipper whose capacity is recalled shall be the fraction of the day, up to such recall, times the daily equivalent of the monthly fixed charges under the Replacement Shipper's service agreement. For all Intraday recalls, commodity and other volumetric charges (including charges for releases at volumetric rates) for the Replacement and Recalling Shipper shall be based upon the quantities scheduled by Transporter for each shipper with respect to the portion of the day it holds the capacity. (e) As set forth in NAESB Standard 5.3.55:

For the recall notification provided to the Transportation Service Provider (TSP), the TSP's tariff should specify whether the quantity should be expressed in terms of a) total released capacity entitlements or b) adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. The capacity entitlements resulting from the use of either a) or b) should be the same.

In accordance with NAESB Standard 5.3.55, Transporter specifies the Elapsed Prorata Capacity method.

(f) As set forth in NAESB Standard 5.3.57:

The Transportation Service Provider should not be obligated to deliver in excess of the total daily contract quantity of the release as a result of NAESB WGQ Standard No. 5.3.55.

10.12 Offers to Purchase Capacity

A party that wishes to purchase firm capacity on Transporter's system may request Transporter to post a notice of its offer on Transporter's web site. The offering party shall provide Transporter with the following information, to the extent applicable:

- (a) the offering party's legal name;
- (b) the amount of capacity sought in Dth per day;
- (c) the proposed effective date and term;
- (d) the primary receipt and delivery point desired;
- (e) the maximum rate the party is willing to pay;
- (f) the length of time the offering party requests to have its offer posted on Transporter's web site, not to exceed thirty (30) days; and
- (g) any other relevant terms.

Transporter shall post offers submitted by a party pursuant to this Section 10.12 for at least the time period requested by the offering party under clause (f).

10.13 Decoupled Releases

When an ESS or FSS shipper releases firm storage capacity, the released Maximum Daily Injection Quantity (MDIQ) and/or the Maximum Daily Withdrawal Quantity (MDWQ) may represent a percentage of the released Maximum Storage Quantity (MSQ) that is different than the corresponding percentage under the source agreement ("Decoupled Release"), subject to the following:

- (a) The shipper under the source agreement may in the aggregate release up to thirty percent (30%) of its MSQ in Decoupled Releases. This thirty percent (30%) limitation does not apply to Secondary Existing Shippers.
- (b) The term of a Decoupled Release may not exceed twenty-four (24) months.
- (c) If Transporter's obligation to accept gas for injection or to withdraw gas from storage under the source agreement varies with Shipper's Storage Balance, its obligations with respect to the Replacement Shipper under a Decoupled Release shall be limited to the percentage of MDIQ associated with the highest percentage of occupied Storage Balance and to the percentage of MDWQ associated with the lowest percentage of occupied Storage Balance.
- (d) A Decoupled Release of ESS storage capacity must be accompanied by a release of a quantity of the Existing Shipper's associated EFT service agreement equal to the released injection or withdrawal rights, whichever is greater, and the Replacement Shipper may only nominate for firm transportation of quantities withdrawn from its ESS Storage Balance under such associated EFT service agreement.

11. PREGRANTED ABANDONMENT AND RIGHT OF FIRST REFUSAL

11.1 Eligible Service Agreements

Unless Transporter and Shipper expressly agree otherwise in Shipper's service agreement, this Section 11 shall apply only to (a) long-term service agreements under the FT, EFT, FST, FT-S, ESS, and FSS Rate Schedules at the applicable Maximum Rates (but not those agreements excluded by Section 26.5 or Section 36 of these General Terms and Conditions) or (b) long-term service agreements under said rate schedules at discounted or negotiated rates entered into prior to March 27, 2000. (Agreements within the scope of clauses (a) or (b) will be referred to as a "Qualifying Agreements").

To the extent a Shipper holding a Qualifying Agreement satisfies the bid matching requirements of this Section 11 or Transporter and Shipper reach agreement as contemplated by Section 11.7, such Shipper may retain its capacity and continue to receive firm service for which Transporter or Shipper has served notice of termination. If Transporter receives one or more acceptable bids for such capacity and Shipper does not satisfy the bid matching requirements of this Section 11 or if Transporter does not receive any acceptable bids for such capacity and Transporter and Shipper do not reach agreement as contemplated by Section 11.7, Shipper shall no longer have, as of the effective date of Transporter's or Shipper's notice of termination, rights under the Qualifying Agreement and Transporter shall have all necessary abandonment authorizations under the Natural Gas Act. Service agreements that are not Qualifying Agreements ("Non-Qualifying Agreements") are not subject to the abandonment protection of this Section 11. Upon termination of a Non-Qualifying Agreement, Transporter shall have all necessary abandonment authorization under the Natural Gas Act effective as of such termination date. For purposes of this Section 11, the term "long-term service agreement" shall include any service agreement with a primary or extended term of one (1) year or longer. Where Transporter and a shipper under a Non-Qualifying Agreement agree that this Section 11 applies to such agreement, the parties may agree to limit the applicability of Shipper's Right of First Refusal ("ROFR") under this section in certain respects; for example, to circumstances where Transporter initiates the termination of the agreement, or to a single ROFR exercise as of the end of the primary term of the service agreement.

11.2 Shipper's ROFR Notice

When Transporter provides a notice of termination of a Qualifying Agreement, Shipper shall notify Transporter within fifteen (15) Business Days thereof as to whether it wishes to avail itself of the Right of First Refusal procedures set forth in this Section 11 ("Shipper's ROFR Notice"). When Shipper provides a notice of termination of a Qualifying Agreement, Transporter shall notify Shipper within ten (10) Business Days thereof that it must provide Shipper's ROFR Notice within fifteen (15) Business Days of the date of Transporter's notice to Shipper. A Shipper that does not provide a Shipper's ROFR Notice indicating that it wishes to avail itself of the Right of First Refusal procedures set forth in this Section 11 as set forth herein within fifteen (15) Business Days of Transporter's notice shall be deemed to have irrevocably waived its Right of First Refusal. In each notice of termination of a Qualifying Agreement provided by Transporter, Transporter shall advise Shipper that it must provide Shipper's ROFR Notice within fifteen (15) Business Days thereof. Transporter shall send each such termination notice by overnight courier, provided the courier service used by Transporter makes overnight deliveries to the address designated by Shipper for formal written notices under such Qualifying Agreement; otherwise Transporter shall provide such notice in accordance with the provisions of such agreement. Shipper may elect in Shipper's ROFR Notice to avail itself of Right of First Refusal procedures with respect to all or just a quantitative portion of the capacity under the Qualifying Agreement. An election by Shipper to avail itself of Right of First Refusal procedures with respect to just a quantitative portion of such capacity shall constitute an irrevocable waiver of Shipper's Right of First Refusal with respect to the remaining portion thereof.

11.3 Posting of Notices of Termination

Within thirty (30) days of Shipper's ROFR Notice, but no earlier than twelve (12) months prior to the date termination of the agreement would become effective pursuant to the notice of termination, Transporter shall post on its web site the following information:

- (a) the primary receipt and delivery points under the terminated agreement, as well as other receipt and delivery points then available as primary points for the capacity associated with the terminated agreement,
- (b) the specific quantity available under the terminated contract,

- (c) the date of expiration,
- (d) the current maximum rate applicable to the terminated service.

11.4 <u>Bidding Procedure</u>

For the time period stated in Transporter's posting, which shall be no shorter than ten (10) Business Days, Transporter will receive service requests from Shippers. A Shipper submitting a service request in response to a posting pursuant to this Section 11 shall include, in addition to the information required by the applicable rate schedule, a request for any discount sought by the Shipper. The rate for the service requested by Shipper, as discounted in accordance with the Shipper's request, and the term of service requested by the Shipper, shall constitute the Shipper's bid for the capacity posted by Transporter.

Potential Shippers may revise their bids during the posting period. Transporter may reject any bid which would require Transporter to discount below a rate or beyond a discount period agreeable to Transporter.

Transporter will accept bids from Potential Shippers with respect to a quantitative portion of Shipper's contract quantity.

When Transporter posts notices of termination of an FSS or ESS service agreement and an associated FST or EFT service agreement, a bidder will be permitted to specify that its bid for each individual service is contingent upon its ability to contract for its requested capacity under both services.

11.5 Determination of Best Bid

Transporter shall review all bids from Potential Shippers received pursuant to Section 11.4, which have not been rejected by Transporter, to determine which bid is the Best Bid(s). For purposes of this Section 11.5, the "Best Bid(s)" shall be the bid(s) yielding to Transporter the highest net present value. Net present value shall be calculated on the basis of the present value of the Reservation Charge revenues or Storage Capacity Charge and Demand Charge revenues per unit to Transporter. In making the determination of net present value Transporter shall apply the same discount factor to all bids. If Transporter receives two (2) or more mutually exclusive Best Bids during the posting period that are not matched by Shipper, Transporter will consider the bid submitted earliest in time to be the Best Bid.

11.6 Notification of and Right to Match Best Bid

Transporter shall notify Shipper of the Best Bid by overnight courier, provided the courier service used by Transporter makes overnight deliveries to the address designated by Shipper for formal written notices under Shipper's contract; otherwise Transporter shall provide such notice in accordance with the provisions of such contract. Upon receipt from Transporter of notice of the Best Bid(s), Shipper shall have the right for a period of fifteen (15) Business Days to notify Transporter whether the Shipper is willing to match the Best Bid(s) with respect to all or a quantitative portion of the capacity bid upon. This right to match the Best Bid(s) shall be referred to herein as the "Right of First Refusal" or "ROFR". Failure to notify Transporter within said period constitutes an irrevocable waiver of Shipper's ROFR. In order to exercise its ROFR, Shipper must agree to a combination of rate and term that is equivalent to the Best Bid(s) on a net present value basis, consistent with the criteria specified in Transporter's posting.

If the Best Bid(s) apply to a quantitative portion of Shipper's contract quantity, Shipper need only match the Best Bid(s) with respect to such quantitative portion, in which case, the remaining quantitative portion of Shipper's contract quantity will be subject to Section 11.7 hereof.

If a Shipper elects to exercise its ROFR as to only a quantitative portion of its capacity or as to only a quantitative portion of the capacity bid upon, its rights under its service agreement shall be reduced as follows: (i) Shipper's maximum entitlement shall be reduced in the same proportion on each Day that Shipper is entitled to receive service during the year; (ii) if the election is made under a storage service agreement, then the Maximum Storage Quantity, Maximum Daily Withdrawal Quantity and Maximum Daily Injection Quantity shall be reduced proportionately; and (iii) Shipper may specify the allocation of the reduction among primary receipt and delivery points, provided however, that Transporter may require a different allocation among receipt and/or delivery points if Shipper's proposal is operationally infeasible or would result in a reduction in Shipper's per unit reservation rate for capacity and Transporter provides a written explanation to Shipper of that result. If Shipper does not specify a particular allocation of the reduction among primary receipt and delivery points, Shipper shall retain the same primary receipt and delivery points with a proportionate reduction at each point.

If Shipper notifies Transporter that it is exercising its ROFR with respect to Shipper's entire contract quantity, Transporter shall provide a written confirmation thereof to Shipper within ten (10) Business Days, and the Shipper's service agreement shall be deemed to be amended in accordance with the terms of the Best Bid(s) so matched by Shipper as of the date of Transporter's written confirmation. If Shipper notifies Transporter that it is exercising its ROFR with respect to a quantitative portion of Shipper's contract quantity, or that it is matching a quantitative portion of the capacity bid upon, Transporter shall send Shipper an executable service agreement in the Form of Service Agreement set forth in this tariff, reflecting the reduction of Shipper's contract quantity and the allocation of that reduction among receipt and delivery points. Shipper must execute and return this service agreement to Transporter within ten (10) Business Days after it is tendered by Transporter. Shipper's failure to abide in a timely manner with this requirement shall constitute an irrevocable waiver of its ROFR.

11.7 Absence of Acceptable Bids

In the event Transporter does not receive any bids pursuant to Section 11.4 or Transporter rejects all bids received due to the fact that such bids were premised on rate discount levels or rate discount periods unacceptable to Transporter, Transporter shall notify Shipper to such effect, and Shipper shall be entitled to retain all or a quantitative portion of its capacity and continue to receive service at the applicable maximum rate for a term specified by Shipper, or Transporter and Shipper may mutually agree upon the terms and conditions under which Shipper shall be entitled to retain all or a quantitative portion of its capacity and continue to receive service, at a rate between the minimum and maximum negotiated by Transporter and Shipper. If Shipper retains only a quantitative portion of its capacity, its rights shall be reduced in accordance with Section 11.6 above. In either of the events that Shipper has not elected to retain all or a quantitative portion of its capacity as provided above or that Transporter and Shipper have not reached agreement on the terms and conditions under which service will be extended for Shipper before the date which is twenty (20) days following the date of Transporter's notice to Shipper that no acceptable bids have been received, then Transporter shall have all necessary abandonment authorization under the Natural Gas Act as of the date of termination of the long-term service agreement.

11.8 Capacity Release Transactions

In the event that, pursuant to Section 10.7 of these General Terms and Conditions, an Existing Shipper's capacity is released on a permanent basis to a Replacement Shipper and Transporter has granted the request of Existing Shipper to be released of any further obligations under its service agreement, the Replacement Shipper shall succeed to any ROFR rights held by the Existing Shipper with respect to such agreement. In all other cases, a Releasing Shipper's ROFR shall not be affected by a capacity release and the Replacement Shipper shall have no ROFR.

11.9 Extension of Service Agreements

Notwithstanding anything to the contrary in this tariff, Transporter may agree with any Shipper, on a not unduly discriminatory basis, to the extension of the term of a service agreement, applicable to Shipper's entire contract quantity or quantitative portion thereof, to be negotiated on a caseby-case basis.

12. <u>UPSTREAM CAPACITY</u>

Where Transporter, pursuant to a certificated exchange agreement, may cause another pipeline to receive gas associated with a source of Appalachian production at one or more points of receipt ("Exchange Points") and deliver such gas to Transporter, such Exchange Points may be used by a Shipper receiving service under the FT, EFT, FST, FT-S, IT, or IAS Rate Schedule as a receipt point, subject to the terms and conditions set forth in such Rate Schedule. Transporter shall pass-through any costs and retainages imposed by such other pipeline to the Shippers using Exchange Points as receipt points, on an as-billed basis.

13. <u>NOMINATING AND SCHEDULING TRANSPORTATION SERVICE</u>

13.1 <u>Nominations</u>

Upon Transporter's acceptance of Shipper's Service Request and Transporter's and Shipper's execution of a service agreement, or, upon the acceptance of a capacity release award by a Replacement Shipper pursuant to Section 10.6 of these General Terms and Conditions, Shipper shall be entitled to make nominations for transportation service, as provided herein.

No transportation service will commence unless and until Transporter has received a completed "Customer Nomination" and Shipper has been advised by Transporter that the service may commence. All timely and intraday nominations for transportation service shall be made either via email, facsimile transmission or via EDM, after executing a System License Agreement. Transporter shall not be required to accept any purported nomination received via mail, written notice, courier service, personal delivery, telephone, or email.

The completed Customer Nomination shall include a notation indicating whether it is submitted as a timely or intraday nomination. The standard quantity for nominations, confirmations and scheduling shall be dekatherms per day. A nomination requesting modifications to an existing nomination need reflect only the proposed changes and the proposed effective date and time.

As set forth in NAESB Standard 1.3.4:

[a]ll parties should support a seven-days-a-week, twenty-fourhours-a-day nomination process. It is recognized that the success of seven days a week, twenty four-hours a day nominations process is dependent on the availability of affected parties' scheduling personnel on a similar basis. Party contacts need not be at their ordinary work sites, but should be available by telephone or other electronic means.

Nominations for the receipt of gas by Transporter shall be accepted by Transporter only if the point of receipt is either (i) an interconnection with another interstate pipeline whose FERC Gas Tariff incorporates the NAESB Standards, or (ii) an interconnection with an Operator that is a party to a currently effective Interconnection Agreement with Transporter applicable to such interconnection.

The timeline and other applicable procedures for the submission, validation and confirmation of timely and intraday nominations shall be as specified in the NAESB Nominations Related Standards.

- (a) <u>Timely Nominations</u>. A "timely nomination" is a nomination for transportation service beginning at the start of a day transmitted and received within the Timely Nomination Cycle specified at NAESB Standard 1.3.2(i).
 - (i) NAESB Standard 1.3.2(i) provides as follows: The Timely Nominations Cycle On the day prior to gas flow:
 - 1:00 p.m. Nominations leave control of the Service Requester (SR);
 - 1:15 p.m. Nominations are received by the TSP (including from Title Tracking Transfer Service Providers (TTTSPs));
 - 1:30 p.m. TSP sends the Quick Response to the SR;
 - 4:30 p.m. TSP receives completed confirmations from Confirming Parties;
 - 5:00 p.m. SR and Point Operator receive scheduled quantities from the TSP.

Scheduled quantities resulting from Timely Nominations should be effective at the start of the next Gas Day.

- (ii) A timely nomination may be modified either by a superseding timely nomination or by an intraday nomination. A timely nomination which is superseded by an intraday nomination shall, at the conclusion of the day on which the intraday nomination was in effect, revert to the quantities, locations and end date submitted in the superseded timely nomination. A timely nomination which is superseded by a timely nomination shall, at the conclusion of the end date in the superseding timely nomination, revert to the quantities, locations and end date submitted in the submitted in the superseding timely nomination, revert to the quantities, locations and end date submitted in the submitted in the superseded timely nomination.
- (b) <u>Intraday Nominations.</u> An "Intraday nomination" is a nomination for transportation service transmitted and received within the Evening Nomination Cycle specified at NAESB Standard 1.3.2(ii),

the Intraday 1 Nomination Cycle specified at NAESB Standard 1.3.2(iii), the Intraday 2 Nomination Cycle specified at NAESB Standard 1.3.2(iv) or Intraday 3 Nomination Cycle specified at NAESB Standard 1.3.2(v).

- (i) NAESB Standard 1.3.2(ii) provides as follows: The Evening Nomination Cycle On the day prior to gas flow:
 - 6:00 p.m. Nominations leave control of the SR;
 - 6:15 p.m. Nominations are received by the TSP (including from TTTSPs);
 - 6:30 p.m. TSP sends the Quick Response to the SR;
 - 8:30 p.m. TSP receives completed confirmations from Confirming Parties;
 - 9:00 p.m. TSP provides scheduled quantities to the affected SR and Point Operator including bumped parties (notice to bumped parties).

Scheduled quantities resulting from an Evening Nominations should be effective at the start of the next Gas Day.

(ii) NAESB Standard 1.3.2(iii) provides as follows:

The Intraday 1 Nomination Cycle On the current Gas Day:

- 10:00 a.m. Nominations leave control of the SR;
- 10:15 a.m. Nominations are received by TSP (including from TTTSPs);
- 10:30 a.m. TSP sends the Quick Response to the SR;
- 12:30 p.m. TSP receives completed confirmations from Confirming Parties;
- 1:00 p.m. TSP provides scheduled quantities to the affected SR and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on the current Gas Day.

(iii) NAESB Standard 1.3.2(iv) provides as follows:

The Intraday 2 Nomination Cycle On the current Gas Day:

- 2:30 p.m. Nominations leave control of the SR;
- 2:45 p.m. Nominations are received by the TSP (including from TTTSPs);
- 2:55 p.m. TSP to send the Quick Response to the SR;
- 5:00 p.m. TSP receives completed confirmations from Confirming Parties;
- 5:30 p.m. TSP provides scheduled quantities to the affected SR and Point Operator, including bumped parties (notice to bumped parties).

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on the current Gas Day.

(iv) NAESB Standard 1.3.2(v) provides as follows:

The Intraday 3 Nomination Cycle On the current Gas Day:

- 7:00 p.m. Nominations leave control of the SR;
- 7:15 p.m. Nominations are received by the TSP (including from TTTSPs);
- 7:30 p.m. TSP sends the Quick Response to the SR;
- 9:30 p.m. TSP receives completed confirmations from Confirming Parties;
- 10:00 p.m. TSP provides scheduled quantities to the affected SR and Point Operator.

Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on the current Gas Day. Bumping is not allowed during the Intraday 3 Nomination Cycle.

(v) An intraday nomination shall span only a single day, terminating at the conclusion of the day on which the intraday nomination is effective. Intraday nominations will be processed after timely nominations have been scheduled.

- (vi) Transporter shall not be required to accept an intraday nomination whose effect would be to reschedule quantities of gas flowing for other Shippers under timely nominations or intraday nominations from an earlier cycle for that day, subject to the following sentence. An intraday nomination for firm service utilizing primary firm capacity submitted during the Evening Nomination Cycle or Intraday 1 Nomination Cycle or Intraday 2 Nomination Cycle will be accepted to the extent that it would not require a rescheduling of quantities of gas flowing for other firm shippers (utilizing primary or secondary firm capacity) under timely nominations or intraday nominations from an earlier cycle for that day. No intraday nomination shall be for a quantity that is less than the quantity of gas that has been scheduled to flow on such day prior to the effective time of such intraday nomination.
- (vii) Transporter will provide direct notice of bumping (as defined in the NAESB Standards) by one of the following means, to be designated by Shipper: telephone, facsimile, email or direct notification to a Shipper's Internet URL address.
- (viii) NAESB Standard 1.3.2(vi) provides as follows:

For purposes of NAESB Standards 1.3.2(ii), (iii), (iv), and (v), the word "provides" shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

(c) <u>Other Nominations.</u> At its option, Transporter may accept nominations which are submitted and received outside the timelines applicable to timely or intraday nominations, or are not transmitted via facsimile transmission, email or EDI, but Transporter shall not be required to comply with the NAESB Nominations Related Standards with respect to such nominations. As set forth in NAESB Standard 1.3.6, "[n]ominations received after nomination deadlines should be scheduled after the nominations received before the nomination deadline." National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

(d) Pooling at Appalachian Production Receipt Points. Any Shipper or Operator may request the creation of a pool of certain Appalachian production receipt points on Transporter's system by submitting to Transporter, in writing on or before 9:00 central clock time the 20th day of the month preceding the desired effective date, a Pool Operator Confirmation signed by the Operators at each receipt point within the proposed pool and, if different, by the proposed pool operator. A list of the Appalachian production receipt points currently eligible for pooling (which is subject to change from time to time in Transporter's sole discretion), and the corresponding pooling zone, can be obtained via the web site. To be eligible, a production receipt point must either: (i) have a design capacity under 5 MMcf per day, or (ii) be equipped with measurement equipment and control equipment and be located on the same side of any pipeline scheduling constraint as all other meters in the pool. If a pipeline scheduling constraint is defined after the creation of a pool that includes production receipt points with a design capacity of 5 MMcf per day or greater, and such constraint definition places pool production receipt points on opposite sides of the new constraint, then the pool will be modified upon Transporter's notice to Operator, to either include only production receipt points on one side or the other of the constraint, or the pool will be removed.

Pools will be established for a month and shall continue from month-to-month thereafter until terminated by the pool operator or by Transporter by notice at least ten days before the effective date of termination. The Operator of a receipt point may withdraw his point by notice to Transporter at least ten days before the effective date of withdrawal. All the receipt points in a single pool must be within one of the following "pooling zones":

Pooling Zone Name	Location	State
Appalachian Zone 1	Line N System (west of Henderson)	PA
Appalachian Zone 2	East of Henderson, west of Overbeck, including Line K in PA	PA
Appalachian Zone 3	Other NY Points not in Zone 4	NY
Appalachian Zone 4	Points interconnecting with Line X, Line YM50, or Line YM224 (between Concord and Ellisburg) or with Line YM55 or Line YM57 (between Ellisburg and Independence)	PA and NY
Appalachian Zone 5	Points interconnecting with Line Z20 or Line PY10 (between Ellisburg and Tuscarora)	PA and NY
Appalachian Zone 6	Points interconnecting with Line YM53 (between Ellisburg and Leidy)	РА
Appalachian Zone 7	Points interconnecting with Line YM52 and Line YM7 (between Ellisburg and Wharton)	РА
Appalachian Zone 8	East of Overbeck, west of eastern end of FM100	PA
Appalachian Zone 9	Production flowing into Lines D & L downstream of Roystone Station to Erie	РА

*NOTE: The default zone for EFT service is Appalachian Zone 2.

Any eligible receipt point within a pooling zone may be pooled with any other eligible receipt point in that pooling zone. A receipt point shall be associated with one pool only. While a receipt point is included within a pool, Shippers must nominate from the pool instead of the receipt point. The pool operator shall confirm nominations from the pool with Transporter. Pool operators must submit a Pre-Determined Allocation Methodology applicable to the pool as a whole and not to individual receipt points within the pool. In the absence of a timely Predetermined Allocation, Transporter shall allocate receipts from the pool among service agreements on a pro-rata basis. Transporter shall schedule receipts from an Appalachian pool as secondary receipt points, unless all receipt points within the pool are primary receipt points.

- Pooling at Pipeline Interconnections. A Shipper who is delivering (e) gas into Transporter's system from more than one contract on an interconnecting interstate or intrastate pipeline at a single receipt point may request the creation of a pool of gas at that point by submitting to Transporter in writing on or before 9:00 a.m. central clock time on the 20th day of the month preceding the desired effective date, a Pool Operator Confirmation signed by Shipper and, if different, by the proposed pool operator. Pools will be established for a month and shall continue from month-to-month thereafter until terminated by the pool operator or by Transporter by notice at least ten days before the effective date of termination. Shippers shall nominate from the pool instead of from the individual upstream contracts within the pool. The pool operator shall confirm nominations to and from the pool with Transporter.
- (f) <u>Title Transfer Nominations</u>.
 - (i) Subject to the provisions of this Section 13.1, including but not limited to the provisions of this Subsection 13.1(f), and the NAESB Nominations Related Standards, Transporter shall accept and process nominations from Title Tracking Parties for title transfer tracking ("TTT Noms") related to transportation nominations with Transporter at physical points of receipt into Transporter's system and pooling points established under Subsections 13.1(d) or 13.1(e). To become a Title Transfer Party, a party must request and execute a Title Transfer Tracking Nominations Processing Agreement in the form set forth as Form 9.020. Any Title Transfer Tracking Service Provider, as defined in the

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NAESB Standards ("TTTSP"), or any party with an effective transportation or storage service agreement, Operational Balancing Agreement, or Interconnection Agreement with Transporter may request a Title Transfer Tracking Nominations Processing Agreement for execution. If a Title Transfer Party wishes to designate an agent (for example, a TTTSP) for the purpose of processing TTT Noms on its behalf, it must execute the agent designation form available on Transporter's web site. Transporter will, on a non-discriminatory basis, negotiate and enter into agreements with TTTSP's which define the terms and conditions applicable to the processing of TTT Noms submitted by the TTTSP.

- (ii) Each TTT Nom must be made using Transporter's standard nomination form incorporating NAESB approved data sets, and shall include the following information:
 - (1) Identity of the party transferring title ("Title Transferor");
 - (2) Identity of the party receiving title ("Title Transferee");
 - (3) The date and time of the transfer;
 - (4) The receipt point or pool on Transporter's system to be utilized as the location of the transfer;
 - (5) The quantity to be transferred; and
 - (6) Upstream and downstream contract information required for confirmation.
- (iii) By submitting a TTT Nom to Transporter, Title Transfer Party represents that Transporter may assume, for purposes of processing the nomination(s) for the transportation of the quantity of gas covered by the TTT Nom, that title to such quantity of gas, or such lesser quantity as is consistent with the related nominations and the confirmations received by Transporter, will be transferred from the Title Transferor to the Title Transferee at the time of the flow of the related transportation nomination(s).

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- (iv) A TTT Nom will be acknowledged by Transporter only if each related transportation nomination is confirmed by all Confirming Parties and scheduled by Transporter for the quantity of gas so nominated or such lesser quantity as is confirmed by all Confirming Parties and by all corresponding TTT Noms.
- (v) By communicating its acknowledgment of a TTT Nom, Transporter represents only that it has processed the related transportation nomination(s) upon the assumption that title to the quantity of gas specified in the TTT Nom, or such lesser quantity as is confirmed by all parties identified in Subsection 13.1(f)(iv) and indicated to Title Transferor in such acknowledgment, will be transferred by the Title Transferor to the Title Transferee set forth in the TTT Nom at the time of the flow of such related transportation nomination(s). Transporter shall have no duty of inquiry, and makes no warranties or representations and assumes no obligations, regarding the ownership of the gas covered by a TTT Nom, the creditworthiness of any Title Transferor or Title Transferee, the existence or terms of any agreement between any Title Transferor or Title Transferee, compliance by any Title Transferor or Title Transferee with applicable laws and regulations, or otherwise.
- (vi) Regardless of the acknowledgment by Transporter of any TTT Nom related to a transportation nomination confirmed by Transporter, the Shipper making such transportation nomination shall remain responsible for all its obligations under its service agreement(s) and this tariff, including, without limitation:
 - (1) the resolution of all imbalances arising under its service agreement(s), including, without limitation, imbalances resulting from differences between the scheduled and actual flows of gas at the receipt point(s) for which related TTT Noms were acknowledged;
 - (2) the payment of any transportation balancing fees or imbalance penalties under Section 14 or penalties under Section 15 of these General Terms and

Conditions or overrun charges under the applicable rate schedule(s);

- (3) warranty of title and indemnification obligations set forth in Section 7 of these General Terms and Conditions; and
- (4) gas quality provisions set forth at Section 2 of these General Terms and Conditions.
- (vii) Receipts of gas at a receipt point for which TTT Noms have been acknowledged by Transporter will be allocated among shippers pro rata based upon confirmed nominations in the absence of a single Pre-Determined Allocation Methodology applicable to all shippers delivering gas to Transporter at such receipt point.
- (viii) The processing of TTT Noms as set forth herein shall be performed at no charge by Transporter.
- (ix) With respect to title transfer transactions, the provisions of Section 8 of these General Terms and Conditions, applicable to "Shipper" or to a "party" shall be applicable to Title Transfer Parties, and the provisions therein applicable to "Transporter" or to a "party" shall be applicable to Transporter.
- (g) <u>Pooling at Market Pooling Points</u>. A party may request the creation of a Market Pool pursuant to, and subject to the terms and conditions of, the MPPAS Rate Schedule.
- (h) Central Delivery and Receipt Points
 - (i) Available for nomination are point(s) which Transporter has designated as a "Central Delivery Point" (CDP) and a "Central Receipt Point" (CRP). A CDP or CRP may be established by mutual agreement between Transporter and point operator, and is composed of the delivery or receipt points between Transporter and an individual local distribution company (LDC) or an individual pipeline on Transporter's system covered by an Operational Balancing Agreement (OBA). Such delivery or receipt points must be within close geographical proximity as determined by

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Transporter with regard to the operational constraints of its system or other operational considerations. CDPs and CRPs may also be developed for other entities or groups on a caseby-case basis. Once a CDP or CRP has been established, Shippers must nominate deliveries under both firm and interruptible agreements to the CDP or CRP in lieu of the individual delivery or receipt points that make up the CDP or CRP. The location of the CDP or CRP will be used to determine capacity allocations, and the location of the CDP or CRP may be modified or terminated based on operating conditions as determined by Transporter. Except as described in subsection (ii) hereof, all physical deliveries to the individual delivery or receipt points which make up the CDP or CRP and all scheduled deliveries to the CDP or CRP will be aggregated for purposes of determining the daily and monthly imbalance pursuant to the OBA. Nothing herein shall exempt a party from compliance with all other provisions of the OBA.

(ii) A CDP or CRP may not be designated as a Primary Delivery Point or Primary Receipt Point, respectively, a Transportation Service Agreement, and the on establishment of a CDP or CRP shall not alter the individual delivery or receipt point(s) and corresponding individual MDQ(s) at such point(s) as specified in any Transportation Service Agreement. Unless such deliveries are nominated by Shipper and confirmed and scheduled by Transporter, Transporter has no obligation to deliver on any day under any such agreement any quantities in excess of the individual MDQ specified in that firm agreement at a given point. Whenever Transporter determines that operating conditions only permit deliveries at anv individual point(s) equal to Transporter's obligations, Transporter shall notify the affected Shippers under such firm agreements.

13.2 <u>Scheduling</u>

When deemed necessary by Transporter, Transporter may require confirmation from any Operator that scheduled receipts and deliveries will occur prior to scheduling receipts and deliveries on its system. Transporter may decline to schedule receipts and deliveries through segments of its system if such action is required in Transporter's judgment by weather or the necessity to conduct maintenance, repair or replacement activities with regard to its facilities, to schedule Department of Transportation compliance activities, to install taps, to test storage fields, operational equipment, compressors or compressor station equipment, or similar activities affecting capacity and operations of portions of its system, or as a result of conditions of <u>force majeure</u>, as described at Section 8.1 of these General Terms and Conditions.

If, for any timely or intraday nomination cycle, Transporter determines that the capacity of its pipeline system, or any portion of its system, including receipt and delivery points, is insufficient to serve all requests for transportation for that nomination cycle, then, subject to Section 13.1 of these General Terms and Conditions, Transporter will schedule transportation in accordance with the sequencing procedures set forth below until all available capacity at the constrained location is allocated. As set forth in NAESB Standard 1.3.23, "Ranking should be included in the list of data elements. Transportation service providers should use service requester provided rankings when making reductions during the scheduling process when this does not conflict with tariff-based rules." Therefore, unless otherwise provided, allocation of capacity among multiple nominations under the same contract and within the same scheduling priority category shall be pro rata or in accordance with the rankings provided by Shipper in its nomination.

(a) <u>Allocation of capacity through constrained transportation paths</u>

When it is necessary for Transporter to allocate available capacity through a constrained transportation path, nominations for service that would require the flow of gas through the constraint and in the constrained direction of flow will be scheduled in the following sequence:

(i) first, to quantities within contract quantities nominated by shippers under the SS-1, FT, FST, EFT or FT-S Rate Schedule or other firm transportation service rate schedules, for service from a primary receipt point to a primary delivery point;

- (ii) second, to mandatory return quantities as described in Section 2.6 of the IAS Rate Schedule;
- (iii) third, to quantities within contract quantities not addressed above (A) nominated by FT or FT-S shippers to the extent of their firm capacity through the constraint, as determined by the transportation path of each shipper, where the direction of the gas flow through the constraint is the same as the direction gas would flow from Shipper's primary receipt point(s) to its primary delivery point(s), or (B) nominated by EFT or FST shippers to or from a secondary receipt or delivery point that is a Market Pooling Point, identified in Section 4.1 of the MPPAS Rate Schedule, that is considered to lie between Shipper's primary receipt and delivery points, but only with respect to quantities nominated to or from a primary delivery or receipt point;
- (iv) fourth, to other quantities within contract quantities nominated by firm shippers, to or from a secondary receipt or delivery point;
- (v) fifth, to overrun quantities nominated by firm shippers and quantities nominated by IT shippers, except as provided in subsection (a)(vi); and
- (vi) sixth, to overrun quantities nominated by firm shippers and quantities nominated by IT shippers, where the shipper's service agreement is subject to a discounted commodity or overrun rate, beginning with the agreement(s) subject to the smallest discount(s) and proceeding in order according to the amount of the discount(s), capacity to be allocated pro-rata among equally discounted services.

Unless otherwise provided above, available capacity will be allocated to quantities within each category in proportion to the quantities nominated by each shipper. (b) <u>Allocation of capacity at constrained receipt or delivery points</u>

When it is necessary for Transporter to allocate available capacity at a constrained receipt or delivery point, nominations for service that would require the flow of gas at the constrained point and in the constrained direction of flow will be scheduled in the following sequence:

- (i) first, to quantities within contract quantities nominated by shippers under the SS-1, FT, FST, EFT or FT-S Rate Schedule for receipt at a primary receipt point or for delivery at a primary delivery point;
- (ii) second, to mandatory return quantities as described in Section 2.6 of the IAS Rate Schedule;
- (iii) third, to quantities within contract quantities not addressed above (A) nominated by FT or FT-S shippers at a secondary receipt or delivery point located within Shipper's transportation path, where the direction Shipper's nominated gas flow is the same as the direction gas would flow from its primary receipt point(s) to its primary delivery point(s) or (B) nominated by EFT or FST Shippers at a secondary receipt or delivery point that is a Market Pooling Point, identified in Section 4.1 of the MPPAS Rate Schedule, that is considered to lie between Shipper's primary receipt and delivery points, but only with respect to quantities nominated to or from a primary delivery or receipt point;
- (iv) fourth, to other quantities within contract quantities nominated by firm shippers, at a secondary receipt or delivery point; and
- (v) any remaining capacity will be allocated in the sequence set forth in subsections (a)(v) through (a)(xii).

Unless otherwise provided above, available capacity will be allocated to quantities within each category in proportion to the quantities nominated by each shipper. (c) <u>Allocation of constrained injection or withdrawal capacity</u>

When it is necessary for Transporter to allocate available injection or withdrawal capacity, nominations for storage injections or withdrawals will be scheduled in the following sequence:

- (i) first, to quantities within contract quantities nominated by storage customers under the FSS, SS-1, ESS or other firm storage service rate schedules;
- (ii) second, to overrun quantities nominated by firm storage customers, quantities nominated by ISS shippers, and quantities nominated pursuant to the IAS Rate Schedule, except as provided in subsection (c)(iii); and
- (iii) third, to overrun quantities nominated by firm storage customers and quantities nominated by ISS shippers, where the shipper's service agreement is subject to a discounted injection or withdrawal rate, beginning with the agreement(s) subject to the smallest discount(s) and proceeding in order according to the amount of the discount(s), capacity to be allocated pro-rata among equally discounted services.

Unless otherwise provided above, available capacity will be allocated to quantities within each category in proportion to the quantities nominated by each shipper.

(d) <u>Allocation of Storage Capacity</u>

When it is necessary for Transporter to allocate available storage capacity, nominations for storage injections or withdrawals will be scheduled to quantities within contract quantities nominated by customers under the FSS, SS-1, ESS or other firm storage service rate schedules.

Unless otherwise provided above, available capacity will be allocated to quantities within each category in proportion to the quantities nominated by each shipper.

13.3 <u>Agency Arrangements</u>

A Web Site User may delegate to a third party ("Web Site User's Agent") authority to exercise certain or all rights and perform certain or all obligations set forth in one or more of the agreements entered into between Web Site User and Transporter or to perform tasks as such Web Site User has otherwise determined and agreed with such third party ("Web Site User Agreements"), subject to the following conditions. A Web Site User may delegate to as many third parties as it deems necessary, the specific rights and obligations set forth above, pursuant to the terms and conditions of the respective Agency Agreement and the terms and conditions of the underlying Web Site User Agreements. A Web Site User may not delegate to more than one third party the same rights and/or obligations for a Web Site User Agreement(s), pursuant to the terms and conditions of the applicable Agency Agreement.

- (a) Web Site User and Web Site User's Agent to whom Web Site User is delegating its responsibilities must enter into an Agency Agreement a form of which is available on Transporter's website or such agreement provided by the Web Site User to Transporter, and which shall include language that requires the Agent abide by the terms and conditions of this tariff. Web Site User's Agent shall have all rights and obligations under the Delegated Agreements as set forth in the Agency Agreement. Web Site User's delegation to its Agent(s) pursuant to this Section 13.3 shall not confer to either Web Site User or Web Site User's Agent(s) rights outside of or in contravention of the Terms and Conditions of the Delegated Agreements.
- (b) Transporter may rely on communications and actions of Web Site User's Agent that are within the scope of the applicable Agency Agreement. Such communications with, and actions by, the Web Site User's Agent shall be deemed communications with or actions by Web Site User. Web Site User shall indemnify and hold Transporter harmless from suits, actions, costs, losses and expenses (including, without limitation, attorney's fees) arising from claims associated with Transporter's reliance on such communications and actions of Web Site User's Agent. If Web Site User's Agent fails to meet such obligations under the Delegated Agreements, then, without Transporter being obligated to proceed against Web Site User's Agent, Web Site User shall be liable for all obligations under the Delegated Agreements.

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(c) A third party may administer and aggregate rights under multiple Delegated Agreements as the designated agent for one or more Web Site Users; provided however, that such agent (1) shall separately administer and account for each such Delegated Agreement, including without limitation submitting nominations and calculating any imbalances, and (2) shall utilize such Delegated Agreements for the transportation, storage, supply aggregation, or balancing of gas for only those Web Site Users that have delegated the rights and obligations under their Delegated Agreements.

14. <u>ALLOCATION AND IMBALANCES</u>

14.1 Introduction

Imbalances result whenever the amount of gas a Shipper receives from Transporter's system differs from the amount that Shipper delivered into Transporter's system (net of various adjustments). Imbalances can result from a difference between the amount of gas nominated at a particular receipt or delivery point and the amount of gas measured actually passing through that point. This Section 14 describes Transporter's methodology for allocating shortfalls and overruns at receipt and delivery points, and includes the various control measures intended to discourage, minimize and correct imbalances. Scheduled receipts and deliveries will be the basis for allocation of actual deliveries or receipts. The allocation methodology applied to actual deliveries or receipts shall be determined in accordance with an Operational Balancing Agreement as set forth in Section 14.3(b) and 14.4(c) hereof, or the default methodologies set forth in Sections 14.3(c) and 14.4(c) hereof.

14.2 Operational Balancing Agreements

- (a) Any imbalances arising under any transportation agreement between Shipper and Transporter that are attributable to variances (1) between actual receipts of natural gas and scheduled receipts of natural gas at receipt points into Transporter's system, or (2) between actual deliveries of natural gas and scheduled deliveries of natural gas at delivery points from Transporter's system, which receipt and/or delivery points are subject to Operational Balancing Agreements, as more fully described in subsection (b) hereof, on the day or days such variances arise, will be resolved by Transporter pursuant to the terms of the applicable Operational Balancing Agreement and Shipper shall not be subject to any imbalance charges or penalties pursuant to its service agreements with Transporter for such imbalances.
- (b) For the purpose of minimizing operational conflicts between various pipeline facilities with respect to the delivery of gas to and from Transporter's facilities, Transporter is willing to negotiate and execute Operational Balancing Agreements with Operators that are not among parties described in Section 14.2(c)(i)-(iv) hereof (herein called the OBA Party). Transporter is also willing to negotiate with any other party which does not qualify to be an OBA Party as defined above, toward an Operational Balancing Agreement which would provide Transporter with assurances equivalent to those contained in the above definition of an OBA Party. Such Operational Balancing Agreements shall specify the gas custody transfer procedures to be followed by Transporter and the OBA Party for the scheduling of quantities to be received by Transporter at receipt points and delivered by Transporter at delivery points. Such Operational Balancing Agreements will provide that any variance between actual quantities and scheduled quantities for any day shall be resolved in-kind promptly pursuant to the terms of the **Operational Balancing Agreement.**

To facilitate such determination of variances on a timely basis, Transporter and the OBA Party will agree in the Operational Balancing Agreement on necessary and timely measurement, reporting and accounting procedures. Transporter shall post on the web site those receipt and delivery points which are subject to an Operational Balancing Agreement.

- (c) It is Transporter's intent to negotiate and execute Operational Balancing Agreements on a non-discriminatory basis with any OBA Party. However, Transporter shall have no obligation to negotiate and execute Operational Balancing Agreements with any party that:
 - (i) is not sufficiently creditworthy to qualify for transportation service under Transporter's FT Rate Schedule of a Maximum Daily Transportation Quantity equal to the sum of the delivery capacities of the receipt and delivery points that would be subject to the Operational Balancing Agreements, and for purposes of Section 3.2 of the FT Rate Schedule, the cost of performing the service requested by Shipper for a three-month period would be arrived at by multiplying the Negative Imbalance Cash-Out Price specified in Section 14.9(a) hereof by forty-five (45) times the daily delivery capacity of such receipt and delivery points;
 - (ii) does not maintain a dispatching operation which is staffed on a continuous, around-the-clock basis 365 days per year;
 - (iii) would result in the imposition of substantial additional regulatory requirements upon Transporter; or
 - (iv) does not commit to timely determination of variances based on reasonably available measurement technology.
- (d) Nothing in this Section 14.2 nor any executed Operational Balancing Agreement shall limit Transporter's rights to take action as may be required to adjust receipts and deliveries under any transportation agreement to reflect actual experience or to alleviate conditions which threaten the integrity of Transporter's system, including maintenance of service to higher priority Shippers and/or service.

14.3 <u>Allocation of Receipts</u>

- (a) Transporter will use the best information it has available in order to allocate receipts of gas to Service Agreements.
- (b) Where (i) more than one Shipper, or (ii) a Shipper with more than one Service Agreement, proposes to deliver gas to Transporter at a receipt point, Transporter may require Operator to instruct Transporter with regard to the allocation of such Shippers' respective allocated shares of receipts among Service Agreements. Such Operator shall provide or cause its designee(s) to provide Transporter with the instructions set forth in this section prior to the initiation of service. Such information shall be provided to Transporter by submitting a Pre-Determined Allocation Methodology before the start of the gas day.
- (c) As set forth in NAESB Standard 2.3.18:

[t]he types of allocation methodologies is a list from which two parties may agree. If the two parties cannot agree upon an allocation methodology, pro rata based upon confirmed nominations should be used as the default method. The party responsible for custody transfer (the party performing the measurement function) should provide the allocation.

14.4 <u>Allocation of Deliveries</u>

- (a) Transporter will use the best information it has available in order to allocate deliveries to Service Agreements. Transporter strongly encourages Shippers to complete and submit a Pre-Determined Allocation Methodology via its web site.
- (b) Where (i) more than one Shipper, or (ii) a Shipper with more than one Service Agreement, requests deliveries of gas from Transporter at a delivery point, Transporter may require Operator to instruct Transporter with regard to the allocation of such Shippers' respective allocated shares of deliveries among Service Agreements. Such Operator shall provide or cause their designee(s) to provide Transporter with the instructions set forth in this section prior to the initiation of service. Such information shall be provided to Transporter by submitting a Pre-Determined Allocation Methodology before the start of the gas day.

If the Pre-Determined Allocation Methodology for a Delivery Point identifies a Service Agreement, other than the Service Agreement with the party operating facilities that interconnect with Transporter's system at that Delivery Point, to be allocated the last quantities of gas through the meter, the Shipper whose service agreement has been identified must agree to the allocation methodology before it may become effective.

(c) As set forth in NAESB Standard 2.3.18:

[t]he types of allocation methodologies is a list from which two parties may agree. If the two parties cannot agree upon an allocation methodology, pro rata based upon confirmed nominations should be used as the default method. The party responsible for custody transfer (the party performing the measurement function) should provide the allocation.

14.5 Adjustment of Receipts and Deliveries

It shall be the responsibility of Shipper to control and, if necessary, adjust deliveries of gas to Transporter for transportation hereunder and to control and, if necessary, to adjust receipts of gas from Transporter, in order to maintain a daily balance of receipts and deliveries (except to the extent otherwise provided in an applicable Rate Schedule). Transporter shall not be obligated to receive or deliver gas on any day in excess of the quantities scheduled by Transporter for Shipper, nor shall Transporter be obligated to deliver to Shipper at the delivery point(s) quantities in excess of quantities received for Shipper at the receipt point(s), less quantities received to Transportation Fuel and Company satisfy the Use Retention, Transportation LAUF Retention or Storage Operating and LAUF Retention (except to the extent otherwise provided in an applicable Rate Schedule). Transporter shall make available to Shipper information regarding receipts and deliveries based on the best operating information available to Transporter and make such information available to all parties to the transaction. Transporter shall make such operating information available on its web site, weekly for meters equipped with measurement information from a supervisory control and data acquisition ("SCADA") system operated by Transporter, or such meters operated by others as they become available. Upon notification, Shipper shall be obligated to adjust receipts and deliveries of gas to correct or avoid any imbalance. Any adjustment to receipts and deliveries by Shipper, whether or not pursuant to notification from Transporter or otherwise, shall be coordinated with Transporter's gas dispatchers.

14.6 <u>Calculation of Monthly and Daily Imbalances</u>

A Shipper's imbalance under a particular service agreement is always equal to the amount of gas received by Transporter for that Shipper's account under that agreement, less the amount Transporter delivers to that Shipper under that agreement, and less applicable retainages, adjusted for imbalance payback and relief. Imbalances can be either positive (adjusted receipts for Shipper's account exceed deliveries to Shipper) or negative (deliveries to Shipper exceed adjusted receipts for Shipper's account).

Each month, Transporter will calculate the imbalance for each agreement (from among all the receipt and delivery points used under that agreement) and aggregate those calculations into that agreement's Monthly Imbalance. The Monthly Imbalances for all the agreements in effect for a single Shipper are set off against each other to calculate the Monthly Shipper Imbalance. Each Monthly Shipper Imbalance is aggregated with any cumulative unresolved imbalances from previous months into that Shipper's Cumulative Monthly Imbalance. The Cumulative Monthly Imbalance is compared to a Monthly Imbalance Tolerance Level ("MITL"), which is equal to 5% of the accumulated daily scheduled receipts for the month under all that Shipper's agreements, but at least 1000 Dth.

If a Shipper indicates its consent in writing delivered to Transporter, or by E-Mail message, Transporter will transmit a Shipper's Monthly Imbalance Statement by E-Mail message.

For each day that an Injection Restriction Advisory or Cold Weather Advisory (as described in Section 14.7) is in effect, Transporter will calculate the imbalance for each agreement (from among all the receipt and delivery points used under that agreement) and aggregate these calculations into that agreement's Daily Imbalance. The Daily Imbalances for all the agreements in effect for a single Shipper are set off against each other to calculate the Daily Shipper Imbalance. The Daily Shipper Imbalance is compared to a Daily Imbalance Tolerance Level ("DITL"), which is equal to 5% of the scheduled receipts for the day under all that Shipper's agreements, but at least 1,000 Dth.

14.7 <u>Transportation Balancing Fee and Imbalance Penalties</u>

(a) For any month that a Shipper's Cumulative Monthly Imbalance exceeds one MITL, a Transportation Balancing Fee will be charged on the amount in excess of this tolerance. This fee per Dth shall be equal to (i) one-twelfth (1/12) the maximum ISS Injection Charge for positive imbalances or (ii) 365/12 times the maximum IAS usage charge for negative imbalances, and in either case shall apply regardless of the imbalance resolution method elected by Shipper under Section 14.8 below.

If the Daily Shipper Imbalance is positive and exceeds one DITL during any day that an Injection Restriction Advisory (as defined below) is in effect, the Shipper will be charged an Imbalance Penalty equal to the maximum ISS Injection Charge. If the Daily Shipper Imbalance is negative and exceeds one DITL during any day that a Cold Weather Advisory (as defined below) is in effect, the Shipper will be charged an Imbalance Penalty equal to 365 times the maximum IAS usage charge.

For purposes of this Section 14.7, Transporter may issue a Cold Weather Advisory on any day that the mean temperature forecast by Transporter's contracted weather service, for either Erie, Pennsylvania or Buffalo, New York is at or below 10 Degrees Fahrenheit. Transporter may issue an Injection Restriction Advisory on any day that the "Operationally Available Quantity" for Transporter's Excess Injection into Storage, as posted on the "Operationally Available Capacity" page of Transporter's web site is zero (0).

The Transportation Balancing Fee and Imbalance Penalty will be included in Shipper's regular bill for transportation services, and will be subject to all payment and collection requirements applicable to that bill.

(b) <u>Crediting of Penalties and Certain Fees in Excess of Costs</u>

Subsequent to each Annual Billing Period, Transporter shall compare the Creditable Penalties, as defined below, attributable to such period, with the Incremental Costs, as defined below, attributable to such period. If such Creditable Penalties exceed such Incremental Costs, Transporter shall credit the difference (hereinafter "Net Creditable Penalties") to its EFT, FT, FST and FT-S shippers in accordance with the following methodology. First, the Net Creditable Penalties will be allocated to each month during the Annual Billing Period in proportion to the Creditable Penalties received by Transporter during such month. Second, for each month during the Annual Billing Period, Net Creditable Penalties allocated to each month shall be credited to EFT, FT, FST and FT-S shippers on a pro rata basis in accordance with the transportation volumes Transporter has delivered to or for the account of each such Shipper during the month, provided, however, in such allocation deliveries to or for the account of any shipper that incurred an Imbalance Penalty under Section 14.7 of these General Terms and Conditions or a Charge for Unauthorized Tenders or Receipts under Section 15.3 hereof for such month shall be deemed to be zero (0)Dth. Transporter shall make credit payments or shall otherwise provide the credit hereunder within 60 days of the end of the Annual Billing Period. Such credit may be accomplished by a credit against any amounts owed by Shipper to Transporter. If Incremental Costs exceed Creditable Penalties with respect to any Annual Billing Period, Transporter shall carry forward the net underrecoveries to the subsequent Annual Billing Period and may offset such net underrecoveries against any future Net Creditable Penalties that may occur in a subsequent Annual Billing Period. For purposes of this section, the term "Creditable Penalties" shall include the sum of (A) Imbalance Penalties collected by Transporter under Section 14.7 of these General Terms and Conditions; (B) Charges for unauthorized tenders and receipts collected by Transporter under Section 15.3 hereof, and (C) interest on the amounts described in (A) and (B) above accrued on a monthly basis at the then effective prime interest rate (JPMorgan Chase Bank, NA). For purposes of this section, the term "Incremental Costs" shall include reasonable costs incurred with respect to transactions with other parties to replace gas or otherwise to respond to operational consequences of the imbalances or events giving rise to Creditable Penalties that are not offset against cash-out revenues under Section 14.9(c) of these General Terms and Conditions, together with interest thereon accrued on a monthly basis at the then effective prime interest rate (JPMorgan Chase Bank, NA).

Types of costs that may constitute Incremental Costs hereunder include, but are not limited to, the cost of replacement gas and the cost of services or penalties incurred with respect to other transporters of gas in response to the operational consequences set forth above. Incremental Costs shall not include any allocation of a portion of regular, ongoing expenses of Transporter that would have been incurred irrespective of the imbalances or events giving rise to Creditable Penalties. For purposes of this section, "Annual Billing Period" shall be the period commencing January 1, 2002 and ending March 31, 2002, and thereafter the twelve month period commencing each April 1 and ending the following March 31.

14.8 Imbalance Resolution

A Shipper may elect to resolve imbalances either "in kind" or by "cashout". This election must be made by submitting a completed and signed "Imbalance Resolution Methodology Form" (see Section 14.11 below). Any Shipper not submitting that form will be deemed to have elected to resolve imbalances via cash-out. All imbalances on all of Shipper's contracts must be resolved using the same methodology. The election of methodologies must be made at or before the earliest time a monthly nomination is required to be submitted under any of Shipper's contracts.

Imbalances of Shippers electing to resolve imbalances in kind, and imbalances of other Shippers which have not been cashed-out, may be resolved in one of the following ways:

Shipper Imbalance Exchange. Shippers who agree to all the terms of (a) Transporter's Imbalance Exchange, and so indicate on their Imbalance Resolution Methodology Form, will be allowed to exchange imbalances with other such Shippers on the Shipper Imbalance Exchange. Transporter will post a participating Shipper's imbalance information on the Shipper Imbalance Exchange portion of Transporter's web site or, upon receipt of a written request, will make the information available to a participant in written form. Transporter will have applicable information posted by the tenth business day of the month following the activity month. Shippers desiring to trade imbalances must present Transporter with a request for transfer (via E-mail or in writing). A request must be received by Transporter from all Shippers involved in an imbalance exchange, either via Transporter's E-mail or otherwise in writing. No Shipper may accumulate balances for the purpose of resolving other Shippers' imbalances. For purposes of determining the applicable Transportation Balancing Fee under Section 14.7 of these General Terms and Conditions for the activity month, Imbalance Penalty under Section 14.7 with respect to certain days within the activity month, or the quantities subject to cash-out under Section 14.9 thereof, imbalance trades that are evidenced by requests received by Transporter on or before the end of the calendar month following the activity month shall be recognized in the calculation of the Cumulative Monthly Imbalance for the activity month, and the Daily Shipper Imbalance for any days within the activity month. In order to avoid the imposition of an Imbalance Penalty that would otherwise apply pursuant to Section 14.7 with respect to a Daily Shipper Imbalance, Shipper must trade its Daily Shipper Imbalance with another Shipper or other Shippers which in combination have an offsetting Daily Shipper Imbalance (i.e., positive if the Shipper's Daily Shipper Imbalance is negative, or negative if the Shipper's Daily Shipper Imbalance is positive) with respect to the same day.

- (b) <u>Schedule Imbalance Payback/Relief</u>. A Shipper may elect to schedule full or partial imbalance payback/relief.
- (c) <u>Cash-Outs of In-Kind Imbalances in Special Circumstances</u> To preserve the operational integrity of its system, Transporter may at its option (exercised on a non-discriminatory basis) cash out the Cumulative Monthly Imbalance of a Shipper which has elected to resolve imbalances in kind, subject to the following requirements, if either:
 - (i) the Shipper has not submitted a nomination for the transportation, injection or withdrawal of gas within the three (3) month period immediately preceding the exercise of Transporter's option hereunder; or
 - (ii) the aggregated Cumulative Monthly Imbalances of all Shippers in a given activity month exceed five percent (5%) of Transporter's total deliveries in that month, excluding deliveries that month to EFT Shippers who have positive storage balances under Rate Schedule ESS.
 - (iii) Only Shippers with a Cumulative Monthly Imbalance in the same direction (positive or negative) as the aggregated imbalance described in subparagraph (ii) above, for that same given activity month, in excess of five (5) times that Shipper's MITL for that month shall be cashed out pursuant to subparagraph (ii);
 - (iv) whenever Transporter exercises its option, the entire Cumulative Monthly Imbalances of <u>all</u> Shippers described in subparagraph (i) or (ii) above shall be cashed out simultaneously;
 - (v) Transporter may exercise its option with respect to imbalances for a given activity month no less than twenty five (25) days following the end of that activity month, and

no more than thirty-one (31) days following the end of that activity month;

- (vi) the cash-out shall be accomplished in the manner specified by Section 14.9 hereof, except that the cash-out price shall be the Index as defined in Section 14.9(a) hereof, applicable to the time period for which the Shipper last submitted a nomination for the transportation, injection or withdrawal of gas, without adjustment by 110% or 90%; and
- (vii) Transporter is not required to exercise its option if Transporter believes, in its sole discretion, that exercise of its option would not be prudent at that time.

14.9 <u>Cash-Out of Imbalances</u>

If a Shipper which has elected (or been deemed to elect) to resolve imbalances via cash-out has a Cumulative Monthly Imbalance in excess of one MITL, that Shipper's entire Cumulative Monthly Imbalance shall be cashed-out as described in this Section 14.9.

(a) <u>Clearing of negative imbalances</u>. Should such imbalance be negative, the imbalance shall be subject to Negative Imbalance Cash-Out.

The Negative Imbalance Cash-Out Price is a price per Dth which is applied to the amount of the Shipper's negative imbalance. Shipper's regular invoice for transportation services will include the money owed by Shipper under this Negative Imbalance Cash-Out, which will be subject to all payment and collection requirements applicable to that bill. Upon receipt of payment, Transporter will make gas accounting entries reducing the amount of Shipper's negative imbalance accordingly.

Transporter shall post the Negative Imbalance Cash-Out Price for each month on its web site. The Negative Imbalance Cash-Out Price shall be equal to one hundred ten percent (110%) of the following index (the "Index"), computed for the month in which the imbalance arose:

The simple average of:

- (1) the Eastern Gas, South Point Index, which shall be computed by taking the average of spot gas prices delivered to the Eastern Gas, South Point price point, from every issue of Natural Gas Intelligence's <u>Weekly Gas Price Index</u> ("NGIW") that contains a table of spot prices for the applicable month;
- (2) the Tennessee Zone 4 Index, which shall be computed by taking the average of spot gas prices delivered to the TGP Zone 4 - 200 Leg price point, from every issue of NGIW that contains a table of spot prices for the applicable month; and
- (3) the Transco Leidy Index, which shall be computed by taking the average of spot gas prices delivered to the Transco -

Leidy Line price point, from every issue of NGIW that contains a table of spot prices for the applicable month.

Changes in the name, format or other method of reporting by NGIW that do not materially affect the content shall not affect their use hereunder. If any of the reported prices used in the calculation of the Index become unavailable, Transporter will file to change this section and may, at its discretion, select a substitute representative price in the interim, subject to refund.

(b) <u>Clearing of Positive Imbalances</u>. Should such imbalance be positive, the imbalance shall be subject to Positive Imbalance Cash-Out.

The Positive Imbalance Cash-Out Price is a price per Dth which is applied to the amount of the Shipper's positive imbalance. Transporter will refund, credit or otherwise pay to Shipper the Positive Imbalance Cash-Out Price in return for Transporter's retaining the positive imbalance quantities at no further cost to Transporter, free and clear of any claims by any adverse party including Shipper. Shipper's regular invoice for transportation services will include a credit or refund for the money owed to Shipper under this Positive Imbalance Cash-Out. Upon sending that invoice, Transporter will make gas accounting entries reducing the amount of Shipper's positive imbalance accordingly. Transporter shall post the Positive Imbalance Cash-Out Price for each month on its web site.

The Positive Imbalance Cash-Out Price shall be equal to ninety percent (90%) of the Index as defined in Section 14.9(a) hereof.

(c) <u>Crediting of Cash-Out and Other Revenues in Excess of Costs.</u> For purposes of this Subsection (c), an "Annual Billing Period" shall be the twelve month period commencing each April and ending the following March 31. Subsequent to the end of each Annual Billing Period, Transporter shall compare (i) the sum of (A) the revenues received by Transporter under the cash-out procedures and (B) one-half (1/2) of Transportation Balancing Fees collected by Transporter from shippers who have elected (or have been deemed to elect) to resolve imbalances via cash-out in accordance with Section 14.9 hereof with (ii) the costs incurred by Transporter under such cash-out procedures, including the costs of purchasing gas to replace any quantities of gas conveyed in cashing out negative imbalances which

are not offset by gas obtained in cashing out positive imbalances or Unauthorized Gas, as defined below. If the revenues received exceed the costs incurred, then Transporter shall credit, within 60 days of the end of the Annual Billing Period, the net overrecoveries to EFT, FT, FST and FT-S Shippers on a pro rata basis in accordance with the transportation volumes Transporter has delivered to each such Shipper during the Annual Billing Period. Such refund may be accomplished by a credit payment or a credit against any amounts owed by Shipper to Transporter. If the revenues received are less than the costs incurred, then Transporter shall carry forward the net underrecoveries to the subsequent Annual Billing Period and may offset such net underrecoveries against any future net overrecoveries that may occur in a subsequent Annual Billing Period. For purposes of this section, the term "Unauthorized Gas" shall mean, with regard to a given Annual Billing Period, the quantity of gas retained as unauthorized tenders in accordance with Section 15.2 of these General Terms and Conditions.

(d) If Transporter desires to auction any gas purchased under Sections 14.8(c) or 14.9(b) of the General Terms and Conditions, any gas retained because it was not withdrawn pursuant to Section 2.5 of Rate Schedule ISS, or any gas retained under Section 15.2 of the General Terms and Conditions, Transporter shall post such quantities, with a minimum acceptable price, on Transporter's web site on the fifteenth day of the month or the next business day thereafter. Transporter shall accept bids for any portion of the posted quantity, at a price no lower than the posted minimum acceptable prices only during the time period from 8:00 a.m. until 12:00 p.m. ET on the second business day following the posting. Prior to 5:00 p.m. ET of the same day, Transporter shall notify the bidders who, in the aggregate, submitted bids which yield the greatest total price for the total quantity bid upon; provided, however, Transporter reserves the right to reject all bids. When the gas is purchased at auction, the buyer must provide identification of the existing transportation service agreement with Transporter under which the Buyer shall nominate, transport and deliver all gas by the end of the month following the month in which the gas is purchased. The buyer further agrees that the gas is subject to Section 14, prospectively from the date of the buyer's purchase pursuant to this Section 14.9(d). All auction proceeds shall be handled in accordance with Section 14.9(c) hereof.

14.10 Prior Period Adjustments

If a Prior Period Adjustment (PPA) is to be made (either at the request of Shipper or at Transporter's initiative), Transporter will notify Shipper of the amount and nature of the PPA, either as part of the Monthly Imbalance Statement or in a separate communication. Shipper has until the end of the month following the month in which such notification was made to resolve the PPA in kind by adjusting Shipper's receipts and deliveries of gas.

If the PPA is not resolved in kind within the required time, a positive PPA (Shipper has too much gas on Transporter's system) will be resolved by Transporter's retaining an amount of Shipper's gas equal to the amount of the PPA, at no cost and free and clear of all claims by any party. A negative PPA (Shipper has insufficient gas on Transporter's system) will be resolved by Shipper's paying to Transporter an amount of money equal to the amount of the PPA (expressed in dekatherms) multiplied by the Cash-Out Price applicable to the month which was adjusted by that PPA. Shipper's regular bill for transportation services will include the amount of gas retained by Transporter pursuant to this paragraph and/or the amount which is owed by Shipper pursuant to this paragraph, which will be subject to all payment and collection requirements applicable to that bill.

14.11 Imbalance Resolution Methodology Form

Each Shipper must complete and deliver to Transporter the following form covering all of that Shipper's agreements, to notify Transporter of that Shipper's choice of methods to resolve imbalances on that agreement. This Imbalance Resolution Methodology Form will be due by the earliest day for which nominations are required under any of Shipper's agreements. A maximum of one Form per Shipper per month may be filed. A submitted Form continues in effect unless a superseding Form is filed. If a Shipper seeks to change its imbalance resolution methodology from "in kind" to "cash-out", or from "cash-out" to "in kind", at a time when that Shipper's Cumulative Monthly Imbalance is other than zero, Transporter will reject that Imbalance Resolution Methodology Form, and Shipper will have to submit another form if it wishes to change its imbalance resolution methodology at a later date. The following is Transporter's Imbalance Resolution Methodology Form:

IMBALANCE RESOLUTION METHODOLOGY FORM

Please circle "yes" or "no" to each question.

1. RESOLVE IMBALANCES "IN KIND"?	YES	NO
2. PARTICIPATE IN SHIPPER IMBALANCE EXCHANGE?	YES	NO
3. POST TO SHIPPER IMBALANCE EXCHANGE ON WEB SITE?	YES	NO

NOTES: Option 1 answered negatively, with Option 2 answered affirmatively and Option 3 answered negatively, is the default imbalance resolution methodology. If Option 1 is answered affirmatively, then Option 2 answered affirmatively with Option 3 answered negatively is the default imbalance resolution methodology. Execution and delivery of this form to Transporter constitutes a waiver of any claim the undersigned Shipper may have against Transporter, its employees, officers, directors, affiliates and/or agents based upon Shipper's engaging in a transaction on the Shipper Imbalance amount. All transactions on the Shipper Imbalance Exchange are final.

DATE:_____

Name of Shipper:_____

By:			
-			

Name:			
Title:			

[End of Form]

14.12 Balancing at Contract Termination.

(a) <u>Transportation Service</u>: Following the termination of one or more transportation service agreements under the FT, FT-S, EFT, FST, or IT Rate Schedules, and unless one or more other service agreements under these rate schedules remain in effect following such termination, Shipper shall be required to resolve any Cumulative Monthly Imbalance within thirty (30) days after the effective date of termination, or within such longer period of time mutually agreed upon by Shipper and Transporter.

If after such balancing period, Transporter determines that a negative imbalance remains, such imbalance shall be cleared in accordance with Section 14.9(a) of these General Terms and Conditions.

If after such balancing period, Transporter determines that a positive imbalance remains, such imbalance shall be cleared in accordance with Section 14.9(b) of these General Terms and Conditions.

A Transportation Balancing Fee will be assessed in accordance with Section 14.7(a) on any Cumulative Monthly Imbalance in excess of one MITL during such balancing period. For purposes of calculating this fee, scheduled receipts for the most recent activity month shall be used to derive the MITL.

(b) Storage Service: If, upon the effective date of termination of storage service, under the FSS, ESS or ISS Rate Schedules, Shipper's Storage Balance is positive, then the Shipper will withdraw such quantities or transfer such quantities to another shipper pursuant to Section 32 of the General Terms and Conditions within thirty (30) days of such effective date, or within such longer period of time mutually agreed upon by Shipper and During such time period, Shipper's use of Transporter. Transporter's storage capacity shall be subject to limitation under Sections 13.2 and 16 of the General Terms and Conditions as if it were scheduled pursuant to the ISS Rate Schedule. Consequently, Shipper may be required to withdraw or transfer its Storage Balance prior to the end of such time period if necessary to free storage capacity for use by firm storage customers. Any quantities remaining in Shipper's Storage Balance at the conclusion of such time period shall be cleared as a positive imbalance as set forth at Section 14.9(b) of the General Terms and Conditions. If, upon the effective date of termination of storage service, Shipper's Storage Balance is negative, then the Shipper will within thirty (30) days of such effective date, or within such longer period of time mutually agreed upon by Shipper and Transporter, deliver sufficient quantities of gas to make up the negative balance. If the Shipper does not deliver sufficient quantities of gas within that time period, the Shipper shall pay Transporter the Negative Imbalance Cash-Out Price, as set forth in Section 14.9(a) of the General Terms and Conditions, for any remaining negative imbalance.

15. <u>UNAUTHORIZED TENDERS AND RECEIPTS</u>

15.1 <u>Definition</u>

Unauthorized tenders and receipts are amounts of gas delivered to Transporter or taken by Shipper from Transporter:

- (a) in the absence of a transportation service agreement and submission of a nomination pursuant to Section 13 (in the case of a Shipper), or an interconnection agreement (in the case of an Operator), applicable to the receipt or delivery point in question,
- (b) following an interruption of service by Transporter pursuant to Section 2.2 of the IT, ISS or IAS Rate Schedules,
- (c) in violation of an operational flow order issued by Transporter to Shipper pursuant to Section 33 of these General Terms and Conditions,
- (d) following a curtailment or termination of service pursuant to Section 5.4 of these General Terms and Conditions,
- (e) following a discontinuance or curtailment of service pursuant to Section 13.2 or 16 of these General Terms and Conditions,
- (f) following a notification to Shipper or Operator requiring an adjustment of receipts and deliveries pursuant to Section 14.5 hereof, or
- (g) following a discontinuance, curtailment or termination of service authorized by any other provision of this tariff or agreement executed thereunder.

In addition, a Shipper's failure to return quantities of gas advanced to it by Transporter pursuant to Section 2.11 of the EFT Rate Schedule, or Section 2.3 of the IAS Rate Schedule when required by Transporter shall constitute an unauthorized receipt of such quantities, and receipts of gas that constitute unscheduled overruns of the contract quantities under the service agreement(s) between Shipper and Transporter during the effectiveness of an operational flow order prohibiting such overruns shall constitute an unauthorized receipt of such quantities. Transporter will provide its Shippers with reasonable notice of any interruption, discontinuance, curtailment or termination of service or of any operational flow orders and Shipper shall be permitted twenty-four (24) hours, or such lesser time as is required to protect the integrity of Transporter's system, to reduce its tenders or receipts in compliance with such notice.

15.2 Disposition of Unauthorized Tenders and Receipts

Transporter shall retain any unauthorized tenders at no cost and free and clear of any adverse claims of any party. Unauthorized receipts by a Shipper shall be treated as an imbalance for purposes of Section 14 hereof until such imbalance is cleared or until a charge is assessed pursuant to Section 15.3 hereof. If there are no service agreements between Transporter and the operator of the delivery point(s) at which the unauthorized receipts occurred, Transporter shall sell the unauthorized receipts to the operator at a price equal to the Index (as defined in Section 14.9(a) hereof), for the month in which the unauthorized receipts were taken.

15.3 Charges Associated with Unauthorized Tenders and Receipts

- (a) If the unauthorized tender or receipt occurs during the effectiveness of a Level 2 OFO, as defined at Section 33.5 of these General Terms and Conditions, and aggravates the condition resulting in the issuance of such OFO, it shall be subject to a charge equal to \$20 per Dth plus the Cost of Gas, as defined below.
- (b) If the unauthorized tender or receipt occurs during the effectiveness of a Level 3 OFO, as defined at Section 33.5 of these General Terms and Conditions, and aggravates the condition resulting in the issuance of such OFO, it shall be subject to a charge equal to \$25 per Dth plus the Cost of Gas, as defined below.
- (c) Otherwise, the unauthorized tender or receipt shall be subject to a charge equal to \$10 per Dth plus the Cost of Gas, as defined below.
- (d) Charges for unauthorized tenders and receipts shall not be assessed if Shipper (or Operator, as the case may be) adjusts its tenders or receipts within the time period applicable to Transporter notice; or if the unauthorized tenders or receipts occurred at an interconnection identified on Transporter's web site as a point where Transporter has complete and unrestricted control of gas deliveries.

- (e) Amounts collected by Transporter under this provision shall be subject to the provisions of Section 14.7(b) of these General Terms and Conditions.
- (f) The payment of a charge for unauthorized tenders or receipts shall not under any circumstances be considered as giving such party the right to make unauthorized tenders or receipts; nor shall such payment foreclose Transporter or any other party from pursuing any available remedy against the offending party for making such unauthorized tenders or receipts. The second clause of Subsection (d) hereof shall not be applicable to any unauthorized receipts resulting from a Shipper's failure to return gas advanced by Transporter pursuant to Section 2.11 of the EFT Rate Schedule or Section 2.3 of the IAS Rate Schedule.
- (g) For purposes of this Subsection 15.3, the "Cost of Gas" shall mean the sum of (i) the simple average of the average gas prices at the Dawn, Ontario and Eastern Gas, South Point price points, as such prices are reported in Natural Gas Intelligence's <u>Weekly Gas Price</u> <u>Index</u> for the week that includes the day in question and (ii) any penalties billed to Transporter by another pipeline in consequence of the unauthorized tender or receipt by Shipper; provided, however, that if Transporter makes a purchase of gas in direct response to one or more particular unauthorized receipt(s), the price at which such gas is purchased, if higher than the index price set forth in clause (i) above, shall apply in lieu of such index price.

15.4 Indemnification and Waiver

Shipper (or Operator, as the case may be) shall indemnify Transporter against, hold it harmless from, and undertake and defense of Transporter with respect to any and all claims, losses, damages, expenses and injuries arising from its unauthorized tender or receipt. Shipper waives any and all claims and demands against Transporter arising from an unauthorized tender or receipt by another Shipper, other than claims based on a Shipper's loss of gas supply due to Transporter's negligence or willful misconduct.

16. <u>CURTAILMENT</u>

Following the scheduling of services, Transporter shall have the right to curtail services on a system-wide basis or segment-by-segment basis (i) as a result of conditions of <u>force majeure</u>, as described at Section 8.1 of these General Terms and Conditions, (ii) when necessary, in Transporter's reasonable judgment, to avert a material threat to the integrity of its system or to remedy an unexpected loss of capacity, or (iii) when continuation of service would impair Transporter's ability to render a service of a higher priority, as set forth in this Section 16. The allocation procedures and priorities set forth in this Section 16 shall apply to both system-wide and segment-by-segment limitations or curtailments, insofar as is possible.

Transporter will allocate capacity in the manner set forth in this Section 16 only to the extent it is reasonably practical to do so.

It is recognized that the allocation of Transporter's capacity may be affected by the capabilities of Transporter's measurement, control and communication equipment, as it exists from time to time, the operational requirements of Transporter or by factors beyond the control of Transporter, including but not limited to variations in the requirements or markets served by Transporter.

In the event of a curtailment of service under this provision, Transporter shall provide such notice as is reasonable under the circumstances.

For purposes of this Section 16, a "discounted rate" shall include a negotiated rate that is less than the maximum rate at the time in question, and for such negotiated rates, a "discount" shall mean the difference between the maximum rate and the negotiated rate at such time.

If, on any day, Transporter determines that the capacity of its system, or any portion thereof, including the points at which gas is tendered for transportation or delivered by Transporter, is insufficient to serve all requirements which are otherwise scheduled for such day, capacity which requires allocation shall be allocated in a matter which results in curtailment of capacity, to zero (0) if necessary, sequentially in reverse order of section 13.2(a), 13.2(b), 13.2(c) or 13.2(d), as applicable, except that capacity scheduled under any of subsections 13.2(a)(i)-(iv) or subsections 13.2(b)(i)-(iv) shall be combined into a single category. Within each category, capacity shall be curtailed on a pro rata basis based upon the quantities of gas scheduled by Transporter, or if a shipper makes multiple nominations under the same contract, in accordance with the rankings provided by Shipper in its nomination.

17. ADJUSTMENTS, SURCHARGES AND NEGOTIATED RATES

17.1 Adjustments and Surcharges

Transporter and Shipper recognize that Transporter shall, from time to time, experience changes in costs related to providing service under this FERC Gas Tariff, including, but not limited to, changes in the cost of labor, benefits, materials and supplies, taxes, and required rate of return, costs associated with the resolution of past disputes or outstanding uncertainties concerning amounts owed by Transporter or attributable to Transporter, and costs generated by decisions by the Commission, the courts, or by an arbitration panel or other body having jurisdiction over Transporter. It may be appropriate, equitable, and consistent with cost responsibility to allocate such costs among Shippers based on taking into account past period factors, such as contract demand levels, purchases, or other factors related to a prior period of time. Shipper agrees that Transporter shall have the right, from time to time, to make rate change filings based in whole or in part on factors related to past periods. Shipper shall have the right to intervene and protest any such filings.

17.2 <u>Negotiated Rates</u>

- (a) Notwithstanding anything to the contrary contained in this tariff, Transporter may charge a negotiated rate for service under any rate schedule contained in this tariff to any shipper that has access to service at the rates set forth in the applicable rate schedule and agrees to pay such negotiated rate.
- (b) A Negotiated Rate shall mean a rate for service, where one or more of the individual rate components exceed the maximum charge, or are less than the minimum charge, for such components. This definition shall include a formula rate where one or more of the individual rate components may exceed the maximum charge, or may be less than the minimum charge, for such components in some months but not in others.
- (c) With respect to a Negotiated Rate which exceeds Transporter's maximum rate for that service, for the purposes of allocation of capacity pursuant to Sections 13, 16 and 26 of these General Terms and Conditions, a Shipper paying said Negotiated Rate would be considered to have paid the maximum rate for such service.

- (d) For purposes of Section 11.6 of these General Terms and Conditions the highest rate that a Shipper must match in order to continue to receive service is the maximum rate applicable to such service.
- (e) For purposes of a release of capacity subject to a negotiated rate, section 10.4(B) of these general terms and conditions, which provides that no payments may be made or accepted at rates in excess of transporter's applicable maximum rates, shall be applicable.
- (f) Transporter shall make any filings with the Commission necessary to effectuate a Negotiated Rate.
- Transporter shall have the right to seek in general rate proceedings (g) discount adjustments in the design of its rates related to services subject to Negotiated Rates. A discount adjustment to recourse rates for Negotiated Rate agreements shall only be allowed to the extent that Transporter can meet the standards required of an affiliate discount type adjustment including requiring that the Transporter shall have the burden of proving that any discount granted is required to meet competition. Accordingly, Transporter shall be required to demonstrate that any such discount type adjustment does not have an adverse impact on recourse rate shippers by: (i) demonstrating that, in the absence of Transporter's entering into such Negotiated Rate agreement, Transporter would not have been able to contract for such capacity at any higher rate(s) and that recourse rates would otherwise be as high or higher than recourse rates which result after applying the discount adjustment; or (ii) making another comparable showing that the Negotiated Rate contributes more to fixed cost recovery to the system than could have been achieved without the negotiated rate.
- (h) Transporter and a Shipper may, in connection with their agreement to a Negotiated Rate, agree upon payment obligations and crediting mechanisms in the event of capacity releases that vary from or are in addition to those set forth in Section 10 of these General Terms and Conditions. Nothing in the foregoing provision, however, shall authorize Transporter or a Shipper to violate the Commission's policy with respect to the negotiation of terms and conditions of service.

18. <u>GAS RESEARCH INSTITUTE PROVISION</u>

18.1 Purpose

Transporter has joined with other gas enterprises in the formation of a participation in the activities and financing of Gas Research Institute ("GRI"), an Illinois not-for-profit corporation. GRI has been organized for the purpose of sponsoring Research, Development and Demonstration ("RD&D") programs in the field of natural and manufactured gas for the purpose of assisting all segments of the gas industry in providing adequate, reliable, safe, economic and environmentally acceptable gas service for the benefit of gas consumers and the general public.

Transporter shall serve as a voluntary collection agent for Shippers who voluntarily choose to contribute to GRI programs through the voluntary contribution mechanism.

18.2 Voluntary Contribution Mechanism

Shippers may voluntarily choose to contribute to GRI programs through a "check-the-box" mechanism, about which a notification will appear on their invoices. The "check-the-box" mechanism will permit Shippers to specify the level of voluntary contribution and the project(s) or project area(s) to be funded at the time of their payment. Once a completed contribution form is returned to Transporter, Shipper will be billed the specified amount for specified project(s) or project area(s) until Shipper modifies or cancels such voluntary contributions. Transporter shall serve as a voluntary collection agent for such voluntary contributions, and amounts collected pursuant to the "check-the-box" mechanism shall not be considered part of Transporter's pipeline rates. In addition, any amount remitted to GRI and is not refundable by Transporter.

19. <u>ANNUAL CHARGES ADJUSTMENT CLAUSE</u>

19.1 Purpose

For the purpose of funding the Annual Charges assessed against Transporter by the Commission or any successor agency, this Section establishes an Annual Charge Adjustment Clause ("ACA") pursuant to 18 CFR Section 154.402 to be applicable to Transporter's Rate Schedules EFT, FT, FST, FT-S, SS-1, IT, FSS, ESS, ISS, IAS, and PTR.

19.2 Basis of the ACA

Service under the rate schedules specified in Section 19.1 hereof shall be subject to the ACA unit charge as revised annually and posted on the Annual Charges page of the Natural Gas section of the Commission's website, located at <u>https://www.ferc.gov</u> and incorporated herein by reference. The applicability of the ACA unit charge shall be reflected in Part 4 (Applicable Rates) of this tariff and in Volume No. 2, where applicable.

19.3 Intent

Transporter intends to fund the Annual Charges assessed against it by the Commission or any successor agency pursuant to 18 CFR Section 154.402 through this Section 19. If this Section 19 is approved by the Commission, Transporter does not intend to recover such Annual Charges recorded in FERC Account No. 928 through a general rate case filing under Section 4 of the Natural Gas Act.

20. PASS-THROUGH OF FIXED TAKE-OR-PAY SURCHARGE

20.1 Purpose

This Section establishes the procedures under which Seller will recover from Buyers who formerly received service under Seller's former RQ and CD rate schedules, the total take-or-pay charges approved by the Federal Energy Regulatory Commission ("Commission") and billed to Seller on a fixed basis by its pipeline suppliers and pipeline transporters ("upstream pipelines"). Such charges by Seller shall be paid by each such Buyer (hereinafter "Shipper") until Seller has recovered from such Shipper the total allocated amounts, principal and carrying charges, to be recovered from Shipper pursuant to this Section 20.

20.2 <u>Procedures</u>

This Subsection 20.2 establishes the procedures under which Seller will recover from Shippers, through a fixed Surcharge under Seller's firm transportation rate schedules, the total take-or-pay charges approved by the Commission to be billed to Seller by its upstream pipelines. Each Shipper's share of the fixed take-or-pay charges billed to Seller by its upstream pipelines shall be separately calculated for each increment of upstream pipeline take-or-pay permitted by the Commission to be collected from Seller.

- (a) <u>Basis of the Surcharge</u>. Each Shipper's share of the fixed take-orpay charges collected from Seller by its upstream pipelines subject to Order No. 528, shall be determined according to allocation factors set forth in Section 20.2(b)(1), (4), (5) and (6) below. Each Shipper's share of the fixed take-or-pay charges collected from Seller by its upstream pipelines exempt from Order No. 528 shall be calculated upon the purchase deficiency methodology.
- (b) <u>Allocation Factor</u>. Each Shipper's share of the fixed take-or-pay charges permitted by the Commission to be billed to Seller by its upstream pipelines subject to Order No. 528 shall be calculated according to the allocation factors set forth in Section 20.2(b)(1) below. Charges related to those upstream pipelines exempt from Order No. 528 and derived from the purchase deficiency methodology can be found in Sections 20.2(b)(2) and 20.2(b)(3) below, while charges related to the Commission's order issued May 4, 1994, can be found in Sections 20.2(b)(4),(5) and (6) below.

(1) Subject to Order No. 528:

Customer	Allocation Factor
National Fuel Gas Dist.	
- New York	63.9448%
National Fuel Gas Dist.	
- Pennsylvania	25.6105%
National Fuel Gas Dist.	
- Mercer Gas Company	0.2369%
CRG, Inc.	0.0150%
North East Heat & Light Co.	0.3978%
Peoples Natural Gas Company	0.9045%
Eastern Natural Gas Co.	0.7647%
Town of Rushford	0.0113%
Algonquin Gas Trans. Co.	3.6613%
Brooklyn Union Gas Co.	0.5237%
Consolidated Edison Co.	0.5906%
Elizabethtown Gas Co. CD-4	0.1752%
New Jersey Natural Gas Co.	0.4417%
Public Service Elec. & Gas	1.3861%
Elizabethtown Gas Co. CD-7	1.3359%

(2) Exempt from Order No. 528 Transcontinental Gas PipeLine & CNG/Transco:

Customer	Allocation Factor
National Fuel Gas Dist.	
- New York	61.6416%
National Fuel Gas Dist.	
- Pennsylvania	35.7039%
National Fuel Gas Dist.	
- Mercer Gas Company	0.2338%
CRG, Inc.	0.0073%
North East Heat & Light Co.	0.4498%
Peoples Natural Gas Company	0.6782%
Eastern Natural Gas Co.	1.2854%

(3) Exempt from Order No. 528 CNG Direct:

(4)

Customer	Allocation Factor
National Fuel Gas Dist. - New York	55.1561%
National Fuel Gas Dist. - Pennsylvania	42.3044%
National Fuel Gas Dist.	
- Mercer Gas Company	0.2332%
CRG, Inc. North East Heat & Light Co.	0.0130% 0.4170%
Peoples Natural Gas Company	0.3680%
Eastern Natural Gas Co.	1.5083%
Pursuant to Order issued May No. RP91-47-000, <u>et al</u> . Tennessee (1988 WRQ):	4, 1994, at Docket
Customer	Allocation Factor
National Fuel Gas Dist. - New York National Fuel Gas Dist. - Pennsylvania National Fuel Gas Dist. - Mercer Gas Company CRG, Inc. North East Heat & Light Co. Peoples Natural Gas Company	60.2327% 31.7070% 0.2267% 0.0081% 0.3941% 0.7344%
Eastern Natural Gas Co.	0.8145%
Town of Rushford Algonquin Gas Trans. Co.	0.0309% 2.2443%
Brooklyn Union Gas Co.	0.3888%
Consolidated Edison Co.	0.4162%
Elizabethtown Gas Co. CD-4	0.1470%
New Jersey Natural Gas Co.	0.4382%
Public Service Elec. & Gas	1.1911%
Elizabethtown Gas Co. CD-7	1.0260%

 (4) Pursuant to Order issued May 4, 1994, at Docket No. RP91-47-000, <u>et al</u>. Texas Eastern (1988 WRQ):

Customer	Allocation Factor
National Fuel Gas Dist.	
- New York	60.2327%
National Fuel Gas Dist.	00.232170
- Pennsylvania	31.7070%
National Fuel Gas Dist.	511/0/0/0
- Mercer Gas Company	0.2267%
CRG, Inc.	0.0081%
North East Heat & Light Co.	0.3941%
Peoples Natural Gas Company	0.7344%
Eastern Natural Gas Co.	0.8145%
Town of Rushford	0.0309%
Algonquin Gas Trans. Co.	2.2443%
Brooklyn Union Gas Co.	0.3888%
Consolidated Edison Co.	0.4162%
Elizabethtown Gas Co. CD-4	0.1470%
New Jersey Natural Gas Co.	0.4382%
Public Service Elec. & Gas	1.1911%
Elizabethtown Gas Co. CD-7	1.0260%

(4) Pursuant to Order issued May 4, 1994, at Docket No. RP91-47-000, et al.
Dominion Transmission, Inc. - flowthrough of Texas Eastern and Texas Gas (1988 WRQ):

Customer	Allocation Factor
National Fuel Gas Dist.	
- New York	60.2327%
National Fuel Gas Dist.	
- Pennsylvania	31.7070%
National Fuel Gas Dist.	
- Mercer Gas Company	0.2267%
CRG, Inc.	0.0081%
North East Heat & Light Co.	0.3941%
Peoples Natural Gas Company	0.7344%

Eastern Natural Gas Co.	0.8145%
Town of Rushford	0.0309%
Algonquin Gas Trans. Co.	2.2443%
Brooklyn Union Gas Co.	0.3888%
Consolidated Edison Co.	0.4162%
Elizabethtown Gas Co. CD-4	0.1470%
New Jersey Natural Gas Co.	0.4382%
Public Service Elec. & Gas	1.1911%
Elizabethtown Gas Co. CD-7	1.0260%

 Pursuant to Order issued May 4, 1994, at Docket No. RP91-47-000, <u>et al</u>. Tennessee (1992 WRQ):

Customer	Allocation Factor
National Fuel Gas Dist.	
- New York	.656841%
National Fuel Gas Dist.	
- Pennsylvania	.267994%
National Fuel Gas Dist.	
- Mercer Gas Company	.002444%
CRG, Inc.	.000117%
North East Heat & Light Co.	.004103%
Peoples Natural Gas Company	.008885%
Eastern Natural Gas Co.	.008222%
Town of Rushford	.000047%
Algonquin Gas Trans. Co.	.020861%
Brooklyn Union Gas Co.	.004463%
Consolidated Edison Co.	.004070%
Elizabethtown Gas Co. CD-4	.001299%
New Jersey Natural Gas Co.	.003826%
Public Service Elec. & Gas	.008193%
Elizabethtown Gas Co. CD-7	.008635%

Pursuant to Order issued May 4, 1994, at Docket No. RP91-47-000, <u>et al</u>.
 Columbia Gas Transmission Corporation (1988 WRQ):

Customer	Allocation Factor
National Fuel Gas Dist.	
- New York	60.2327%
National Fuel Gas Dist.	
- Pennsylvania	31.7070%
National Fuel Gas Dist.	
- Mercer Gas Company	0.2267%
CRG, Inc.	0.0081%
North East Heat & Light Co.	0.3941%
Peoples Natural Gas Company	0.7344%
Eastern Natural Gas Co.	0.8145%
Town of Rushford	0.0309%
Algonquin Gas Trans. Co.	2.2443%
Brooklyn Union Gas Co.	0.3888%
Consolidated Edison Co.	0.4162%
Elizabethtown Gas Co. CD-4	0.1470%
New Jersey Natural Gas Co.	0.4382%
Public Service Elec. & Gas	1.1911%
Elizabethtown Gas Co. CD-7	1.0260%

- (c) <u>Refunds</u>. Any refunds attributable to upstream pipeline take-or-pay charges which Seller receives from its upstream pipelines will be refunded to Shipper by Seller individually on the same allocation basis as the surcharges are calculated. Any such refunds will be made by Seller within sixty (60) days after a final, non-appealable order is issued by the Commission approving Seller's compliance filing to flowthrough the individual upstream pipeline's take-or-pay charges, together with interest at the Commission approved interest rate from the date Seller receives a refund until the Seller flows through the refund. Seller's compliance filings will be made within 30 days of each final, non-appealable order in the upstream pipeline's take-or-pay allocation proceeding.
- (d) <u>Surcharge Amount</u>. The principal amount of each increment of take-or-pay costs charged to Seller by its upstream pipelines (including original carrying costs computed), together with the number of months comprising the amortization period associated with each such increment of take-or-pay costs, are reflected in

Section 20 of the General Terms and Conditions to Seller's FERC Gas Tariff. Any carrying charges due Seller shall be calculated on a monthly basis pursuant to Commission approved interest rates.

- (e) <u>Surcharge Adjustment</u>. A one-time adjustment, to be recovered in equal monthly installments over a twenty-four month period, shall be made in the computation of each customer's Monthly Surcharge Amount to reflect the impact of Seller's allocation mechanism on Shipper's share of Seller's take-or-pay costs, allocated under this Section 20 of the General Terms and Conditions to Seller's FERC Gas Tariff, First Revised Volume No. 1 as Section 20 existed in Seller's filing on June 21, 1991 in Docket No. RP91-47-000, et al. This one-time adjustment caused a credit or debit in the computation of Shippers' Monthly Surcharge Amount to reflect over- or underrecoveries, respectively.
- (f) <u>Additional Adjustment</u>. An additional adjustment shall be made in the computation of each customer's Monthly Surcharge Amount to reflect the impact of the Commission order issued May 4, 1994, at Docket Nos. RP91-47-000, <u>et al</u>. on Seller's allocation mechanism for determining Shippers' share of Seller's take-or-pay cost. This adjustment will cause a credit or debit in the computation of Shippers' Monthly surcharge Amount to reflect over- or underrecoveries, respectively.

The Additional Adjustment shall be made by Seller as to each of the individual pipeline take-or-pay proceedings after the Commission issues a final, non-appealable order approving each of the upstream pipeline's take-or-pay allocation methodology. Additional Adjustments will be computed in each of Seller's Compliance filings to flowthrough its upstream pipeline's take-or-pay charges, which compliance filings shall be tendered within 30 days of final, non-appealable orders by the Commission approving each individual upstream pipeline's take-or-pay allocation method.

Billing adjustments to reflect any Additional Adjustment will be made to customer's invoices by Seller, including payment of refunds of overpayments, within sixty (60) days after the Commission issues a final, non-appealable order approving Seller's compliance filing to flowthrough the corresponding take-or-pay charges. Such billingadjustments shall include interest payments or charges at the Commission-approved interest rate calculated from the date the payment was received, or if Buyer did not pay, the date payment should have been received, through the date of such billing adjustment.

(g) <u>True Up</u>. Within sixty (60) days of the last take-or-pay payments made by customers related to Seller's individual filings to flowthrough its upstream pipeline's take-or-pay charge after the Commission's approval of each individual upstream pipeline's take-or-pay allocation methodology by a final, non-appealable order, Seller will submit to the Commission for approval and to the parties a final report and any further adjustments, if necessary, to insure that the amount billed or flowed through to each of its customers is the amount the customer owed or was due. Any such further adjustments shall include interest at the Commission-approved rate through the date of such adjustment.

In accordance with the Commission's order in Docket No. RP91-47-006, <u>et al.</u>, 68 FERC 61,132, each Shipper's share of take-or-pay charges attributable to the take-or-pay provisions of this Section 20 billed after July 29, 1994, may be recovered over an extended amortization period not to exceed 36 months, at the Shipper's option, commencing on the effective date of the filing.

Any payment required from Shipper and not received by Seller on or before the due date shall bear interest in accordance with Section 5.4 of Seller's General Terms and Conditions to its FERC Gas Tariff.

Shippers, whose service agreement(s) with Seller expire on or after December 1, 1990, and whom receive Commission authority to abandon service from Seller at any time on or after December 1, 1990, shall be directly billed for Shipper's full unpaid share of takeor-pay charges attributable to take-or-pay charges approved by the Commission and billed to Seller by its upstream pipelines, together with carrying charges thereon through the date of the final Commission order authorizing such abandonment, regardless of the effective date of the Commission's order authorizing the abandonment of service. Seller shall submit invoices to such Shipper(s) for the full amount due and owing within the later of thirty (30) days following issuance of a final Commission order authorizing Seller's inclusion of this Surcharge in Seller's FERC Gas Tariff or thirty (30) days following the issuance of a final Commission order authorizing such abandonment. Shipper shall pay Seller the full amount due within thirty (30) days after receipt of such invoice.

20.4 <u>Lump Sum Payment by Shipper</u>

Shipper shall have the option to pay in one lump sum the total amount of Shipper's share of the take-or-pay charges billed to Seller by Seller's upstream pipelines, as determined in this Section 20. Shipper is permitted to exercise its lump sum payment option at any time, subject to the procedures under this Subsection 20.4. Any Shipper electing the lump sum payment option must provide Seller with 30 days advance notice thereof. Seller's next monthly invoice to Shipper occurring at least 30 days after the date notice is received by Seller will reflect a lump sum payment amount for all take-or-pay principal amounts billed to Seller, up to the date notice is received. The invoiced amount shall be due and payable in accordance with Section 5.2 of Seller's General Terms and Conditions to its FERC Gas Tariff. A lump sum payment by a Shipper will not extinguish that Shipper's obligation to pay Shipper's allocated share of any future fixed take-or-pay costs billed to Seller by its upstream pipelines after the date Shipper's notice was received by Seller.

20.5 <u>Texas Eastern</u>

This Subsection 20.5 describes Seller's allocated share of the fixed take-orpay charges attributable to amounts approved by the Commission to be billed to Seller by Texas Eastern Transmission, LP ("Texas Eastern").

(a) <u>Calculation of Shippers Monthly Surcharge Amount</u>. The monthly fixed take-or-pay surcharge amount, which Seller will bill each Shipper under Seller's applicable firm sales and firm transportation rate schedules in order to recover Seller's allocated share of Texas Eastern's fixed take-or-pay charges, shall be the product of the monthly principal take-or-pay amount billed by Texas Eastern to Seller and each Shipper's allocation factor (shown at Subsection 20.2 hereof) to which amount is added each Shipper's Surcharge Adjustment, if any.

(b) <u>Charges to Seller</u>. Seller's allocated share of Texas Eastern's total direct and indirect fixed take-or-pay costs is:

Supplier	Texas Eastern's <u>Docket No.</u>	Principal <u>Amount (\$)</u>	No. of <u>Months</u>
Texas Gas RP91-100, RP91-101, RP91-102} RP91-61	RP91-75-002 RP91-72	192,696.66 178,342.56	24 24
United RP88-27, RP88-264, RP89-138, RP90-91, RP89-141, RP90-129}	RP91-73-002	2,524,271.68	24
Southern RP88-229, RP89-174, RP89-175, TM89-2}	RP91-74	648,836.77	24

20.6 Columbia

This Subsection 20.6 describes Seller's allocated share of the fixed take-orpay charges attributable to amounts approved by the Commission to be billed to Seller by Columbia Gas Transmission Corporation ("Columbia").

(a) <u>Calculation of Shippers Monthly Surcharge Amount</u>. The monthly fixed take-or-pay surcharge amount, which Seller will bill each Shipper under Seller's applicable firm sales and firm transportation rate schedules in order to recover Seller's allocated share of Columbia's fixed take-or-pay charges, shall be the product of the monthly principal take-or-pay amount billed by Columbia to Seller and each Shipper's allocation factor (shown at Subsection 20.2 hereof) to which amount is added each Shipper's Surcharge Adjustment, if any.

(b)	<u>Charges to Seller</u> . Seller's allocated share of Columbia's total direct
	and indirect fixed take-or-pay costs is:

Supplier	Columbia's <u>Docket No.</u>	Principal <u>Amount (\$)</u>	No. of <u>Months</u>
Texas Eastern			
RP88-80	RP91-41-003		<u>1</u> /
RP91-73	RP91-41-003		$\frac{1}{1}$
RP91-74	RP91-41-003		1/
RP88-251	TM89-3-21	510.00	6
TM89-4-17	TM89-3-21	108.00	6
RP89-150,RP91-72	RP91-41-003	720.00	24
TM89-12-17	TM90-5-21	336.00	6
RP89-153,RP91-73	RP91-41-003		<u>1</u> /
RP91-74(So./Un.)	RP91-41-003		<u>1</u> /
RP91-74(So./S.R.)	RP91-41-003		<u>1</u> /
TM91-7-17	TM91-12-21	16.00	24
	TM91-12-21	59.00	24
	TM91-12-21	11.00	1
	TM91-12-21	4.00	1
Texas Gas			
RP88-177	RP88-187	203,292.00	36
TM89-2-18	TM89-3-21	3,018.00	6
RP89-119, RP91-61	TM92-9-21	5,256.00	0
RP89-208, RP91-61	TM92-9-21	96.00	0
RP90-58, RP91-61	TM92-9-21	2,304.00	0
RP91-61	RP91-41-022	2,775.00	1
TM89-4-18	TM90-5-21	8,484.00	6
TM90-6-18	TM91-2-021	29,540.00	20
TM90-3-18	TM90-8-21	24.00	6
TM90-5-18	TM90-13-21	444.00	6
RP91-134	TM91-12-21	274.00	0
	TM91-12-21	3,737.00	0
	TM91-12-21	898.00	0
	TM91-12-21	215.00	0
	RP91-41-022	2,148.00	1

Transco			
RP88-68			
RP90-98			
RP91-130}	TM93-5-21	17,160.00	30
RP90-99	RP91-41-003	0.00	12
RP90-179	TM92-3-21	816.00	12
RP91-147	TM93-5-21	1,032.00	12
Tennessee			
RP88-191 Phase 1	TM90-12-21	324,330.00*	6
RP88-191 Phase 2	TM90-12-21	72,894.00*	6
RP88-191 Phase 3	TM90-12-21	186,936.00*	6
RP88-191 Phase 4	TM90-12-21	834.00*	6
RP88-191 Phase 5	TM90-12-21	8,574.00*	6
RP85-178	RP88-187	120,840.00*	12
Pan. Eastern			
RP88-240			
TM90-6-28}	TM90-5-21	370,620.00	60
RP88-241			
RP91-53}	RP91-90-000	10,260.00	36
RP89-9			
RP91-53}	RP91-90-000	19,548.00	36
RP89-10			
TM90-8-028}	TM89-7-21	277,500.00	60

- 1/ Refund due NFGS by Columbia under these Dockets. See Section 20.6(c) for refund amount.
- * Reflects six months of a longer amortization period. At the present time, NFGS is not being billed under these Dockets.

(c) <u>Refunds to Seller</u>. Seller's allocated share of Columbia's total direct and indirect take-or-pay refunds is:

Columbia's <u>Docket No.</u>	Principal <u>Amount (\$)</u>	No. of <u>Months</u>
TM92-10-21	625,365.00	15
TM92-10-21	65,295.00	15
TM92-10-21	2,520.00	15
TM92-10-21	7,635.00	15
TM92-10-21	35,244.00	11
TM92-10-21	35,679.00	21
TM92-10-21	39,081.00	21
TM92-10-21	17,730.00	9
TM92-10-21	234.00	9
TM92-10-21	1,341.00	9
	Docket No. TM92-10-21 TM92-10-21 TM92-10-21 TM92-10-21 TM92-10-21 TM92-10-21 TM92-10-21 TM92-10-21	Docket No.Amount (\$)TM92-10-21625,365.00TM92-10-2165,295.00TM92-10-212,520.00TM92-10-217,635.00TM92-10-2135,244.00TM92-10-2135,679.00TM92-10-2139,081.00TM92-10-2117,730.00TM92-10-21234.00

20.7 CNG Transmission

This Subsection 20.7 describes Seller's allocated share of the fixed take-orpay charges attributable to amounts approved by the Commission to be billed to Seller by CNG Transmission Corporation ("CNG").

(a) <u>Calculation of Shippers Monthly Surcharge Amount</u>. The monthly fixed take-or-pay surcharge amount, which Seller will bill each Shipper under Seller's applicable firm sales and firm transportation rate schedules in order to recover Seller's allocated share of CNG's fixed take-or-pay charges, shall be the product of the monthly principal take-or-pay amount billed by CNG to Seller and each Shipper's allocation factor (shown at Subsection 20.2 hereof) to which amount is added each Shipper's Surcharge Adjustment, if any.

(b) <u>Charges to Seller</u>. Seller's allocated share of CNG's total direct and indirect fixed take-or-pay costs is:

<u>Supplier</u>	CNG's <u>Docket No.</u>	Principal <u>Amount (\$)</u>	No. of <u>Months</u>
Tennessee			
RP91-29	RP91-51-001		<u>1/ 2</u> /
RP94-69	TM94-4-22	9,867.12	1
Texas Gas			
RP88-177, RP91-100	RP91-125		<u>1</u> /
RP89-119, RP91-61	RP91-98-000	37,608.90	<u>1</u> / <u>1</u> / <u>1</u> / 24
RP90-64, RP91-102	RP91-125-000		<u>1</u> /
RP91-134	TM91-7-22	70,205.00	24
Texas Eastern			
RP91-74	RP91-98-000		<u>1</u> /
RP91-74	RP91-98-000	19,440.00	24
RP89-184, RP91-74	RP91-98-000	5,568.00	24
RP91-72	RP91-98-000	51,960.00	24
RP91-73	RP91-98-000		<u>1</u> /
RP91-74	TM91-9-22	8,183.00	24
RP91-101	RP91-125-000	11,271.33	<u>1</u> /
RP91-75-001	RP88-91	5,257.00	24
RP91-75-001	RP91-98-001	36,120.00	24
RP91-75-001	RP91-98-001	9,861.00	24
TM91-7-17	TM91-9-22	15,568.00	24
Transco, Direct			
RP88-68, et al.	TM92-7-022	74,406.00*	12
	RP93-69-000	10,258.00	12
		10,200.00	•

- * This amount denotes charges to CNG from Transco for the fifth PSP recovery period and the third LPSP recovery period.
- $\underline{1}$ Docket reflects a refund paid NFGS 11/19/93 and flowed through to the customers. See Section 20.7(c) for refund amount.
- 2/ Pursuant to FERC Order dated May 4, 1994 in Docket No. RP91-47-000 et al the principal amount for Tennessee will be reallocated in accordance with Section 20.2 (b)(4) hereof.

(c) <u>Refund to Seller</u>. Seller's allocated share of CNG's total direct and indirect take-or-pay refunds is:

<u>Supplier</u>	CNG's <u>Docket No.</u>	Principal <u>Amount (\$)</u> <u>2</u> /
Tennessee Gas RP91-29-006	TM92-2-22	2 027 710 00
KF91-29-000	1192-2-22	3,027,710.00
Texas Gas		
RP91-100	RP91-125-000	183,179.00
RP91-61	TM92-5-22	269,200.00
RP91-101	RP91-125-000	33,474.00
RP90-102	TM91-6-22	21,900.00
Texas Eastern		
RP91-74	RP91-98-000	644,601.00
RP91-73	RP91-98-000	104,726.00

2/ These amounts due NFGS will be refunded to the customers when received from CNG.

20.8 Transco

This Subsection 20.8 describes Seller's allocated share of the fixed take-orpay charges attributable to amounts approved by the Commission to be billed to Seller by Transcontinental Gas Pipeline Company, LLC ("Transco").

(a) <u>Calculation of Shippers Monthly Surcharge Amount</u>. The monthly fixed take-or-pay surcharge amount, which Seller will bill each Shipper under Seller's applicable firm sales and firm transportation rate schedules in order to recover Seller's allocated share of Transco's fixed take-or-pay charges, shall be the product of the monthly principal take-or-pay amount billed by Transco to Seller and each Shipper's allocation factor (shown at Subsection 20.2 hereof) to which amount is added each Shipper's Surcharge Adjustment, if any.

(b) <u>Charges to Seller</u>. Seller's allocated share of Transco's total direct and indirect fixed take-or-pay costs is:

Supplier	Transco's	Principal	No. of
	<u>Docket No.</u>	<u>Amount (\$)</u>	<u>Months</u>
Direct	RP88-68 RP90-98 RP91-130 TM92-10-029 RP91-147, TM92-12	919,920.00* 138,336.00**	12 12

- * These amounts reflect charges to be recovered from National by Transco during the period May 1, 1992 to April 30, 1993, including interest. These amounts will be adjusted to reflect Transco's estimated annual interest expense for each succeeding year. A revised Sheet No. 426 is to be filed to reflect the adjusted amounts.
- ** These amounts reflect charges to be recovered from National by Transco during the period June 1, 1992 to May 31, 1993, including interest. These amounts will be adjusted to reflect Transco's estimated annual interest expense for each succeeding year. A revised Sheet No. 426 is to be filed to reflect the adjusted amounts.

20.9 <u>Tennessee</u>

This Subsection 20.9 describes Seller's allocated share of the fixed take-orpay charges attributable to amounts approved by the Commission to be billed to Seller by Tennessee Gas Pipeline Company ("Tennessee").

(a) <u>Calculation of Shippers Monthly Surcharge Amount</u>. The monthly fixed take-or-pay surcharge amount, which Seller will bill each Shipper under Seller's applicable firm sales and firm transportation rate schedules in order to recover Seller's allocated share of Tennessee's fixed take-or-pay charges, shall be the product of the monthly principal take-or-pay amount billed by Tennessee to Seller and each Shipper's allocation factor (shown on Subsection 20.2(b)(5) hereof) to which amount is added each Shipper's Surcharge Adjustment, if any.

(b) <u>Charges to Seller</u>. Seller's allocated share of Tennessee's total direct and indirect fixed take-or-pay costs is:

<u>Supplier</u>	Tennessee's	Principal	No. of
	<u>Docket No.</u>	<u>Amount (\$)</u>	<u>Months</u>
Direct	RP94-69-000	475,188.00*	6
	RP94-261	3,538.00	1

* These amounts include both principal and interest to be collected by Tennessee over the twelve month recovery period initiated by the December 1, 1993 Tennessee filing.

21. TRANSITION COSTS

Pursuant to Order Nos. 636 <u>et seq</u>., issued by the Commission, Transporter is authorized to recover Transition Costs from its Buyers as set forth in this Section. This Section shall be applicable until such time as Transporter has recovered all of its Transition Costs.

21.1 Costs Associated with Account Nos. 858, 191 and 186

- (a) <u>Reports.</u> On or before May 1, 1994, Transporter shall file with the Commission and mail to each of its affected Buyers and interested state commissions, a report setting forth the final balances (as of April 30, 1994) of Account Nos. 858 and 191 and the transportation and compression costs in Account No. 186, after all adjustments and the amounts already collected or disbursed as of that point in time if the recovery and/or refund of the accounts has already commenced pursuant to a Commission order. Also, Transporter shall file a report with the Commission setting forth the amounts under Account Nos. 191 and 858, as well as the transportation and compression costs in Account No. 186, finally billed or refunded.
- (b) <u>Debit Balance</u>. If Transporter's net balance of Account Nos. 191 and 858 and the transportation and compression costs in Account No. 186 is a debit balance as of August 1, 1993, (referred to hereunder as "the effective date"), such net debit balance ("balance") shall be recovered through a direct bill to Transporter's former firm sales customers ("customers"). Also, Transporter shall be entitled to recover any out-of-period adjustments to these accounts incurred within nine months of the effective date. If a customer has paid on a lump sum basis, a supplemental invoice will be rendered to that customer.
 - (i) <u>Allocation of commodity costs.</u> The portion of the balance classified as commodity shall be allocated among the customers on the ratio of each customer's purchases under the firm sales rate schedules to all purchases under the firm sales rate schedules during the twelve
 - (ii) <u>Allocation of demand costs</u>. The portion of the balance classified as demand shall be allocated among the customers on the ratio of each customer's demand entitlements under all firm sales rate schedules in effect on the day before the

effective date to the total of such demand entitlements. The demand entitlements for the customers shall be: RQ - the Minimum Monthly Demand; CD - the Maximum Daily Quantity.

- (iii) <u>Billing and payment</u>. Transporter shall invoice each customer for its share of the costs subject to this Section 21.1 within sixty (60) days of the effective date. Any payment due shall be made within ten (10) days after receipt of Transporter's invoice, unless the customer elects to pay the invoiced amount in twelve monthly installments, beginning with the month following the month in which the invoice is received by the customer. In the event the customer elects to make monthly payments, the customer shall also be required to pay interest on the unpaid balance at the interest rate specified in the Commission's regulations for purposes of computing interest on amounts collected subject to refund.
- (c) <u>Credit Balance</u>. If Transporter's net balance of Account Nos. 191 and 858 and the transportation and compression costs in Account No. 186 as of the effective date is a net credit balance ("balance") such balance shall be refunded to the customers within sixty (60) days of the effective date.

Refunds of the demand portion of the balance to the customers shall be calculated utilizing the same allocation factors described in Section 21.1(b)(ii). Refunds of the commodity portion of the balance to the customers shall be calculated utilizing the same allocation factors described in Section 21.1(b)(i).

A customer's share of the balance may be used to offset its share of transition costs other than those included in Section 21.1 provided an agreement exists between Transporter and the customer allowing such offset.

(d) <u>Adjustments</u>. Within sixty (60) days of any charges or refunds to Account Nos. 191 and 858, as well as to the transportation and compression costs in Account No. 186, not included in the balance defined in (b) or (c) above, including costs associated with the resolution of transportation and exchange imbalances, Transporter shall calculate a new net balance and, utilizing the allocation factors described in Sections 21.1(b)(i) and (ii) above, shall issue supplemental invoices or refunds. Refunds related to the period prior to August 1, 1993, shall be flowed through to the former firm sales customers regardless of when Transporter receives such refunds.

21.2 <u>Stranded Costs</u>

Transporter shall seek to recover costs that are stranded as a result of complying with Order No. 636, <u>et seq.</u>, together with interest, through a limited Section 4 rate proceedings.

21.3 <u>Gas Supply Realignment ("GSR") Costs</u>

- (a) Transporter shall recover from its customers under the EFT, FT, FST, FT-S and FSS Rate Schedules its Gas Supply Realignment ("GSR") costs in accordance with this Section 21.3. Storage service quantities under the FSS Rate Schedule will not be so surcharged if surcharged under another rate schedule. GSR costs are those costs attributable to realigning Transporter's gas supply contracts as permitted by Order No. 636.
- (b) Transporter will make periodic filings after the effective date, seeking necessary Commission authorization to recover any GSR costs actually incurred, plus carrying charges calculated from the date of incurrence of such GSR costs to the projected date of payment as determined pursuant to Section 154.67(c)(2) of the Commission's regulations.
 - Ninety (90) percent of such GSR costs shall be allocated to (i) Transporter's shippers under the EFT, FT, FST, FT-S and FSS Rate Schedules, based on the ratio of the Shipper's Contract MDTQ or Maximum Storage Quantity (MSQ) to the total Contract MDTO and MSO of surcharged shippers under Rate Schedules EFT, FT, FST, FT-S and FSS; provided, however, that a FSS shipper shall not be surcharged, nor shall its MSQ be used in the above calculation, with respect to any level of service associated with Firm transportation under the EFT, FT, FT-S or FST Rate Schedules. GSR Costs shall be recovered from shippers under Rate Schedules EFT, FT, FST, FT-S and FSS by means of a GSR Demand Surcharge per Contract MDTQ or MSQ over a three-year amortization period commencing on the date authorized by the Commission. At

the end of the three-year period, Transporter shall continue to charge or refund to the extent necessary to cause the under or over-collections to be adjusted such that Transporter fully recovers its GSR Costs allocated to Shippers under the EFT, FT, FST, FT-S and FSS Rate Schedules.

Transporter will perform an annual revision of the billing determinants to properly reflect changes in the service levels of the Shippers receiving service.

(ii) Transporter shall recover the remaining ten (10) percent of its GSR costs from Transporter's Shippers under the IT Rate Schedule, over a three-year amortization period, commencing on the date authorized by the Commission. At the end of the three-year period, Transporter shall continue to charge or refund to the extent necessary to cause the under- or over-collections to be adjusted such that Transporter fully recovers its GSR costs allocated to Shippers under the IT Rate Schedule.

> If operating experience indicates that Transporter is unable to recover said ten (10) percent from Shippers under the IT Rate Schedule, Transporter may make a new proposal to the Commission to recover any amount of GSR costs not recovered through IT rates.

21.4 <u>Implementation Costs</u>

Transporter shall seek to recover the costs associated with new facilities installed to physically implement Order No. 636 (including, but not limited to, the costs for an Electronic Bulletin Board as well as new metering and flow control equipment), together with interest, through general Section 4 rate proceedings.

21.5 <u>Upstream Supplier's Transition Costs</u>

(a) <u>Flow Through of Charges</u>. Transporter has been a customer of several interstate pipelines, one or more of which may bill Transporter for costs, directly or indirectly, as Transition Costs under Order No. 636. Transporter shall be entitled to flow through to its firm Buyers all Transition Costs that Transporter is required to pay such upstream pipelines.

- (b) <u>Basis for the Flow Through of Charges</u>. The charges to Transporter, associated with Account Nos. 191, 858, and the transportation and compression costs in Account No. 186, as well as with any other transition costs to Transporter as may be authorized by the Commission, shall be flowed through to all firm Buyers on an as-billed basis using the firm Buyers' entitlements during the period of time or on a date prior to the effective date that corresponds to the period of time or date utilized by the upstream pipeline for allocation purposes, unless otherwise modified by the Commission.
- (c) <u>Filing Procedure</u>. At least thirty (30) days before the proposed effective date of an initiation of a charge or a change in the charges covered by this section, Transporter shall file with the Commission and mail to each of its affected firm Buyers and interested state commissions a revised tariff section or sections showing such charge and a statement showing the basis therefor.
- (d) <u>Effective Period of Flow Through</u>. Transporter shall continue to flow through the charges under this section for the full period required to recover the total Transition Costs that Transporter is required to pay such upstream pipelines.
- 21.6 <u>Exit Fee</u>
 - (a) If Transporter and a firm Buyer agree upon a reduction or termination of that Buyer's service, such Buyer shall pay Transporter a negotiated exit fee including charges for Account Nos. 191, 858, and the transportation and Compression costs in Account No. 186, GSR Costs, Stranded Costs, Implementation Costs and Upstream Supplier Transition Costs, plus any associated carrying charges assigned or allocated to and otherwise payable by the Buyer, absent the termination. In addition, Transporter will collect all or a portion of the capacity reservation charge otherwise recoverable by Transporter from the Buyer for the balance of the contractual term, absent early termination.

22. <u>COMPLAINT PROCEDURES</u>

This Section 22 is required by 18 CFR 250.16:

Complaints by shippers and potential shippers concerning any transportation or sales services offered by Transporter or any of Transporter's transportation or sales practices and procedures should be directed to Transporter's President at (716) 857-7889. Transporter will respond initially within 48 hours and in writing within 30 days to such complaints. Any person dissatisfied with the response received from the President should resubmit the complaint, in writing, to:

General Counsel National Fuel Gas Supply Corporation 6363 Main Street Williamsville, NY 14221

23. TRANSPORTATION AND STORAGE COST ADJUSTMENTS ("TSCA")

The rates and charges applicable to Rate Schedule EFT are subject to adjustment, in Seller's first quarterly filing made pursuant to this Section 23 herein following August 1, 1993 and in each quarterly and annual filing thereafter, to reflect changes in Transportation Costs. "Transportation Costs" are costs incurred by Seller after July 31, 1993, for the transmission, storage and compression of gas by others included in Account Nos. 858 and 826, excluding costs associated with providing service under Rate Schedules V-1, V-2, and X-58, and costs subject to direct passthrough pursuant to Section 12 of these General Terms and Conditions.

23.1 Filing of Transportation and Storage Cost Adjustment

The effective Transportation and Storage Cost Adjustment ("TSCA") under Rate Schedule EFT shall be shown in Seller's Tariff at Section 4.010. Seller shall file its TSCA quarterly and its filing shall include computations showing the derivation of the TSCA.

23.2 Calculation Period and Rate Determinants

The Calculation Period ("Calculation Period") shall be the twelve-month period commencing with the effective date of Seller's TSCA filings referenced in Section 23.1 above.

The term "Rate Determinants," as used herein, shall refer to projected Reservation and Commodity billing units for Rate Schedule EFT for the Calculation Period.

23.3 Determination of TSCA

- (a) The "Current Transportation and Storage Costs" shall be the estimated Reservation and Commodity Account Nos. 858 and 826 amounts for the Calculation Period.
- (b) The "Current TSCA Unit Rates" shall be determined by dividing the Current Transportation and Storage Costs by the Rate Determinants under Rate Schedule EFT for the Calculation Period.
- (c) "Current Adjustment" set forth in Section 4.010 hereof shall be determined by subtracting the Current TSCA Unit Rate from the Current TSCA Unit Rate contained in the immediately preceding quarterly filing hereunder; provided, that the initial Current TSCA

Unit Rates hereunder shall be determined on the basis of the Current Transportation and Storage Costs.

23.4 Unrecovered Transportation and Storage Cost Account

- (a) Seller shall establish and maintain an "Unrecovered Transportation and Storage Cost" Account for the collection of TSCA costs under Rate Schedule EFT as a subaccount of Account No. 186. This Account shall be segregated between Transportation and Storage Reservation and Commodity Costs. Each month this Account shall be (a) debited by Seller's actual Transportation and Storage Costs, and (b) credited by the actual revenues received attributable to the TSCA reflected in Seller's rates. Such credits shall be determined by multiplying (i) the actual Reservation and Commodity billing units under Rate Schedule EFT for the billing month by (ii) the Current TSCA Unit Rates and TSCA Adjustment, in effect for that month.
- (b) Commencing with the effective date of this TSCA provision, all Transportation and Storage Cost refunds received by Seller, applicable to transportation services performed during the period this Section 23 remains effective, shall be credited to this Account.
- (c) Each month this Account shall be debited (in the event of a debit balance) or credited (in the event of a credit balance with interest, calculated by utilizing the procedures set forth in Section 154.305(h) of the Commission's Regulations on the prior month's ending balance.

23.5 <u>Unrecovered Transportation and Storage Cost Surcharges</u>

In each Annual filing, Seller shall adjust its rates either positively or negatively to include a surcharge to recover or return the balance in the applicable Account No. 186 subaccount, Unrecovered Transportation and Storage Cost, as of the preceding August 31. Separate surcharges shall be determined for the Reservation Commodity portions of the balance in Account No. 186. Such surcharges shall be determined by dividing the balance in the applicable Account No. 186 subaccount as of the preceding August 31 by the Rate Determinants under the EFT Rate Schedule for the twelve-month period commencing with the effective date of the Annual filing. This Surcharge Adjustment shall be set forth in Section 4.010 hereof.

For the period January 1 through December 31, the surcharge recoveries or returns shall be recorded to the amortizing subaccount each month. If there is a balance remaining in the amortizing subaccount of Account No. 186 at the end of twelve months, such balance shall be transferred to the "Current" subaccount of Account No. 186.

23.6 <u>Termination Provision</u>

At such time as the provisions of this Section are terminated, (i) any net credit balance in the Account No. 186 subaccount, Unrecovered Transportation and Storage Cost, shall be refunded to Buyers, or (ii) any net debit balance shall be due and payable by Buyers.

Such refunds or payments shall be made by either debiting or crediting a deferred account or by immediate cash refunds/direct billing payments as may be directed by the Commission, or, in the absence of direction from the Commission, cash refunds/direct billing payments.

24. <u>TRANSPORTATION THROUGH TRANSPORTER'S UNPROCESSED GAS</u> <u>SYSTEM</u>

24.1 Designation of Unprocessed Gas System

The following system is designated as Transporter's Unprocessed Gas System:

The facilities in Clarion, Warren, McKean, Forest, Elk and Jefferson Counties, Pennsylvania, upstream of Transporter's system at Kane, Roystone, Whitetail, and Overbeck Processing Plants operated by third-parties.

- 24.2 Processing of Gas Received into Transporter's Unprocessed Gas System
 - (a) Gas received by Transporter in its Unprocessed Gas System must be processed prior to delivery into its downstream transmission facilities, at one of the third-party plants processing gas from Transporter's Unprocessed Gas System ("Third-Party Processors").
 - (b) Transporter shall have no obligation to accept gas into its Unprocessed Gas System that is not processed under a processing agreement with one or more of the Third-Party Processors.
- 24.3 Transportation of Unprocessed Gas
 - (a) Transportation of liquefiable hydrocarbons removed from the gas stream by a Third-Party Processor, from the receipt point(s) into Transporter's Unprocessed Gas System to the processing plant(s), shall be governed by Transporter's PTR Rate Schedule and a PTR Service Agreement.

(b) Transportation of the Related Gas Stream (as defined in Section 1.1 of the PTR Rate Schedule) from the receipt point(s) into Transporter's Unprocessed Gas System to the delivery point(s) specified in Shipper's transportation service agreement shall be performed pursuant to that agreement and the applicable rate schedule. Each shipper of the Related Gas Stream ("Related Shipper") shall act as agent, for purposes of invoicing and payment of charges under the PTR Rate Schedule, for the shipper of the associated liquefiable hydrocarbons under Transporter's PTR Rate Schedule with respect to the transportation of the liquefiable hydrocarbons associated with the quantities of the Related Gas Stream allocated to such Related Shipper. A shipper's nomination for the transportation of any part of the Related Gas Stream shall constitute acceptance of such agency.

25. PROVISIONS APPLICABLE ONLY TO RATE SCHEDULE SS-1

The provisions of this Section 25 are applicable only to services under Rate Schedules SS-1. This Section 25 is intended to preserve, to the extent possible, all the terms of service formerly provided by Penn-York Energy Corporation ("Penn-York") before Penn-York was merged into Transporter in 1994. This Section 25 contains the General Terms and Conditions from Penn-York's tariff upon the effective date of that merger, except for any Penn-York tariff provision which was effectively the same as another provision in Transporter's General Terms and Conditions. Transporter's other General Terms and Conditions shall govern services under Rate Schedule SS-1 except to the extent of any conflict with the provisions of this Section 25, in which case the provisions of this Section 25 shall govern.

25.1 Definition of Terms

The following terms are intended and used and shall be construed to have the following meanings:

- (a) The term "contract year" shall mean the year commencing April 1.
- (b) The term "total heating value" when applied to a cubic foot of gas, means the number of British thermal units produced by the complete combustion with air, at a constant pressure, of one anhydrous (dry) cubic foot of gas at a pressure of 14.73 PSIA and a temperature of 60 Fahrenheit when the products of combustion are cooled to the initial temperature of the gas and air, and when water formed by combustion is condensed to a liquid state.
- (c) The term "Volume of Gas" shall mean a number of units of gas express in Mcf's unless other specified.
- (d) The term "Penn-York" shall mean Penn-York Energy Corporation, which was merged into Transporter in 1994. Any references in Rate Schedule SS-1, or in any service agreement thereunder, to Penn-York shall be deemed to refer to Transporter.
- (e) The term "Former Penn-York Facilities" shall mean the facilities which were transferred from Penn-York to Transporter by merger in 1994. Any provision in any Rate Schedule or Service Agreement which names a Former Penn-York Facility as a point for the delivery or receipt of gas, or for any other purpose, shall be

deemed to apply to that same physical point, even if that point is an interconnection between the Former Penn-York Facilities and Transporter's other facilities.

25.2 <u>Quality</u>

- (a) <u>General Standards</u>. The gas delivered by, or for the account of, Buyer to Transporter and redelivered by Transporter to, or for the account of, Buyer shall be natural or mixed gas having a total heating value at the point of delivery and redelivery of not less than 967 Btu per cubic foot and shall be commercially free from objectionable odors, dust or other solid or liquid or gaseous matters which might interfere with its merchantability or contaminate the gas of seller or its customers or cause injury to or interfere with proper operation of the lines, regulators, meters or other appliances through which it flows. Transporter may subject gas received to compression, cooling, cleaning and other processes, but shall not extract and retain hydrocarbons from such gas.
- (b) <u>Non-Conforming Gas</u>. If any gas offered for receipt or delivery hereunder by Transporter or by Buyer shall fail at any time to conform to the standards set forth in this Subsection 25.2 above, then the party to whom said gas is offered shall notify the other party of such deficiency and thereupon may at its option refuse to accept such gas pending correction by such offering party. Upon such offering party's failure promptly to remedy any deficiency in quality as specified in this section, the receiving party may, in its sole discretion accept such gas and may make changes necessary to bring such gas into conformity with the standards set forth in this section, and such offering party in such instance shall reimburse such receiving party for any reasonable expense incurred in effecting such changes.
- (c) <u>Commingling</u>. It is recognized that gas received by Transporter from or for the account of Buyer will be commingled with Transporter's gas or gas of other customers of Transporter. Accordingly, gas shall be subject to changes in total heating value as may result from such commingling and Transporter shall, notwithstanding any other provision hereof, be under no obligation to deliver to Buyer Volumes of Gas equivalent to those received by Transporter from Buyer.

25.3 <u>Measurement</u>

- (a) <u>Measurement Units</u>. The measurement unit of the gas delivered by Transporter to Buyer and by Buyer to Transporter shall be (a) an Mcf for purposes of determining Volume of Gas and (b) a Dth for purposes of determining Quantity of Gas. Mcf delivered shall be determined in accordance with Boyle's law for the measurement of gas with deviations therefrom as provided in subsection 3.6 on the measurement basis hereinafter specified. Dth delivered shall be determined by multiplying Mcf delivered by a fraction the numerator of which is the Btu per cubic foot (dry) and the denominator of which is the number 1,000.
- (b) <u>Total Heating Value</u>. The total heating value per cubic foot of gas shall be determined by either (1) the use of a suitably located and acceptable make calorimeter, or (2) calculation from fractional analysis, or (3) methods outlined in Report No. 5 of the Gas Measurement Committee of the American Gas Association, latest edition, or (4) other methods mutually acceptable. Determination of total heating value per cubic foot shall be made daily. Readings recorded during each day shall be averaged, the average thus obtained shall be the total heating value per cubic foot delivered during the corresponding day.
- 25.4 <u>Measuring Equipment</u>
 - (a) <u>Ownership and Operation</u>. Unless otherwise agreed upon, Transporter shall install, maintain and operate at or near the delivery points, measuring stations properly equipped with displacement or orifice meters and other necessary measuring equipment by which the Volume of Gas and Quantity of Gas delivered hereunder shall be measured. Orifice meters shall be installed and operated in accordance with specifications recommended in Gas Measurement Committee Report No. 3 of the American Gas Association, as the same may be amended from time to time, applied in a practical manner. Displacement meter dial readings shall be adjusted for varying pressure and temperature conditions.
 - (b) <u>Installation</u>. All installations of measuring equipment, applying to or affecting deliveries by Transporter to Buyer and by Buyer to Transporter, shall be made in such manner as to permit an accurate determination of the Volume of Gas and Quantity of Gas delivered

or received and ready verification of the accuracy of measurement. Reasonable care shall be exercised in the installation, maintenance and operation of any pressure regulating equipment so as to avoid, as far as practicable, any inaccuracy in the determination of the Volume of Gas and Quantity of Gas delivered or received hereunder.

- (c) <u>Measuring Equipment Failures</u>. In the event measurement equipment is out of service, or registering inaccurately, the Volume of Gas and/or Quantity of Gas delivered by Transporter to Buyer or by Buyer to Transporter shall be estimated:
 - 1. by using the registration of any check meter, meters or other measurement equipment if installed and accurately registering or, in the absence of 1;
 - 2. by correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation or, in the absence of both 1 and 2, then;
 - 3. by estimating the Volume of Gas and/or Quantity of Gas delivered by deliveries during periods under similar conditions when the meter and/or other measuring equipment was registering accurately.
- (d) <u>Accuracy of Measuring Equipment.</u> The accuracy of the Transporter's measuring equipment shall be verified by the Transporter at reasonable intervals, and if requested, in the presence of representatives of the Buyer, but the Transporter shall not be required to verify the accuracy of such equipment more frequently than once in any 30 day period. In the event either party shall notify the other that it desires a special test of any measuring equipment, the parties shall cooperate to secure a prompt verification of accuracy of such equipment.

25.5 Billing and Payment

(a) <u>Demand Charge Statement</u>. A statement to recover the Deliverability and Capacity charges shall be delivered by Transporter to Buyer before the end of each calendar month for services to be provided hereunder during the next following month.

- (b) <u>Injection/Withdrawal Charge Statement</u>. A second statement shall be delivered by Transporter to Buyer on or before the tenth day of each calendar month for recovery of the Injection/Withdrawal and excess service charges for gas delivered hereunder during the preceding month. A schedule shall also be provided each month showing the beginning and ending Volumes of Gas and Quantities of Gas of Buyer in storage during the month immediately preceding the month in which the schedule is delivered, together with applicable Volumes of Gas and Quantities of Gas delivered, Injection Allowance, Volumes of Gas and Quantities of Gas Withdrawn, and Withdrawal Allowance for the month.
- (c) <u>Payments</u>. After timely delivery of a statement pursuant to subparagraph 25.5(a) hereof, Buyer shall pay Transporter at its designated address on or before the 10th day of the month during which services are to be provided hereunder by Transporter as shown by the statement. Buyer shall pay Transporter on or before the twentieth day of the month in which the statement is received for commodity and excess service charges for services provided pursuant to subparagraph 25.5(b).
- (d) Delayed Payment. Should Buyer fail to pay all of the amount of any bill, as herein provided, when such amount is due, interest on the unpaid portion of the bill shall accrue at the rate and manner as prescribed in Section 154.67 of the Regulations of the Federal Energy Regulatory Commission from the due date until date of payment. If such failure to pay continues for 30 days after payment is due, Transporter, in addition to any other remedy it may have, may, after application to and authorization by the Federal Energy Regulatory Commission, suspend further delivery of gas until such amount is paid; provided, however, that if Buyer in good faith shall dispute the amount of any such bill, or parts thereof, and shall pay to Transporter such amounts as it concedes to be correct and at any time thereafter within 30 days of a demand made by Transporter shall furnish a good and sufficient surety bond, to secure payment to Transporter of the amount ultimately found due upon such bills after a final determination, which may be reached either by agreement or judgment of the courts as may be the case, then Transporter shall not be entitled to seek to suspend further delivery of gas on account of such disputed claim while so secured.
- (e) <u>Delay in Billing</u>. If delivery of a statement to Buyer is delayed after the dates specified in subparagraphs 25.5(a) and (b), the time

of payment shall be extended accordingly by Transporter, unless Buyer is responsible for such delay.

(f) <u>Correction of Errors</u>. If an error is discovered in any statement, such error shall be adjusted, provided that claim shall have been made within 12 months from the date of such statement.

25.6 Delivery Point

The delivery point or points for all service rendered by Transporter to Buyer shall be the connection between Buyer's and Transporter's lines or at such other point or points as agreed in the executed Service Agreement.

25.7 Delivery Pressure

Deliveries of gas from Buyer to Transporter and from Transporter to Buyer shall be at pressures agreed upon by Buyer and Transporter in the executed Service Agreement.

25.8 <u>Possession of Gas and Responsibility</u>

- (a) <u>Possession</u>. As between the Transporter and Buyer, the Buyer shall be deemed to be in control and possession of the gas until it shall have been delivered to the Transporter at the point of delivery. Thereupon, the Transporter shall be deemed to be in control and possession of the gas until it shall have been redelivered to or for the account of the Buyer, after which the Buyer shall be deemed to be in control and possession thereof.
- (b) <u>Responsibility</u>. The Transporter shall have no responsibility with respect to any gas prior to its delivery to the Transporter, nor on account of anything which may be done, happen or arise with respect to said gas prior to such delivery; and Transporter shall have no responsibility with respect to any such gas after its redelivery to or for the account of Buyer, nor on account of anything which may be done, happen or arise with respect to said gas after such redelivery. The Buyer shall have no responsibility with respect to any such gas delivered to Transporter by Buyer during the period after such delivery and prior to redelivery to or for the account of anything which may be done, happen or any such gas during the period after such delivery and prior to redelivery to or for the account of Buyer, nor on account of anything which may be done, happen or arise with respect to said gas during such period.

25.9 <u>Warranty of Title to and Condition of Gas</u>

- (a) Buyer agrees to indemnify Transporter and hold its harmless against all suits, judgments, actions debts, accounts, damages, costs, losses and expenses arising out of or in any way connected with any claims of any and all third persons to or against gas stored hereunder. Transporter shall, within a reasonable time after it receives notice of the assertion of any such lien or claim, notify Buyer of such fact and shall permit Buyer to participate in the defense against such lien or claim. In the event any claim of any character whatsoever is asserted against Transporter in respect of any of said gas, Transporter may, in addition to and without limiting such other remedies as may be available to it, retain such gas of Buyer as may at the time of such claim be in, or thereafter come into, Transporter's possession until such claim has been finally determined, as security for the performance of Buyer's obligations with respect to such claim, or until Buyer shall have furnished bond to Transporter, in the amount of such claim and with sureties reasonably satisfactory to Transporter conditioned for the protection of Transporter with respect to such claim.
- (b) Transporter warrants that the gas delivered to it by Buyer for storage shall not become encumbered by a lien or adverse claim of any person claiming by, through or under Transporter while such gas is in the possession of Transporter.
- 25.10 Force Majeure
 - (a) Relief from Liability. Neither Transporter nor Buyer shall be liable in damages to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or wells or lines of lines of pipe, line or well freeze-ups, temporary failure of gas supply, the necessity of making repairs and/or alterations in machinery or line of pipe, partial or complete failure by persons transporting gas for Transporter or Buyer, the binding order of any court or governmental authority having jurisdiction and any other cause, whether of the kind herein enumerated, or otherwise caused or occasioned by or happening on account of the act or omission of one of the parties to the Service Agreement

between Transporter and Buyer or some person or concern not a party thereto, not within the reasonable control of the party claiming relief from liability and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming relief from liability.

(b) Liabilities Not Relieved. The provisions of Transporter's General Terms and Conditions Subsection 8.2 shall be applicable to Rate Schedule SS-1.

25.11 <u>Storage Field Losses</u>

In the event of a loss of gas from one or more storage fields utilized by Transporter resulting from force majeure, such loss shall be allocated among Transporter, lessees of Transporter's storage capacity and each Shipper receiving service under the ESS, FSS, ISS or SS-1 Rate Schedule or in proportion to the quantities of gas (excluding base gas) of each in storage immediately prior thereto as reasonably determined by Transporter, and if such extraordinary loss exceeds the top gas balances of Transporter and all such lessees and Shippers, such excess will be deemed to be from Transporter's base gas. Losses of gas from storage fields utilized by Transporter that are not losses resulting from Transporter's top gas balance, and, to the extent such losses exceed Transporter's top gas balance, such excess will be deemed to be from Transporter's base gas. For purposes of this Section 25.11, a loss of gas resulting from force majeure is a loss caused by any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rules and peoples, civil disturbances, explosions, breakage or accident to machinery or line of pipe, line freeze-ups, or similar causes.

Shipper is placed on notice that Transporter may recognize storage gas losses for rate and accounting purposes. Such losses shall be valued at the current replacement cost of gas. After accounting recognition of any such loss, Transporter shall record and maintain a regulatory asset account which shall be maintained until Transporter's next general rate change filing under Section 4 of this Natural Gas Act. In any of Transporter's general rate change filings, Transporter may propose to amortize storage gas losses through its base rates. This provision shall apply to storage gas losses incurred by unamortized as of the date upon which this provision becomes effective, and to those incurred after that date.

25.12 Waiver of Defaults

No waiver by either Transporter or Buyer of any one or more defaults by the other in the performance of any provisions of this tariff, the applicable Rate Schedule and the Service Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character, or of the continued enforceability of any of the provisions thereof.

25.13 Buyer's Liabilities

Buyer shall not be relieved of its obligations to pay the Minimum Bill rendered each month until the service agreement is terminated according to its terms and, notwithstanding the provisions of Paragraph 25.11 of these General Terms and Conditions, Buyer's obligations to pay the Minimum Bill rendered each month shall be unaffected by any circumstance whatsoever unless otherwise provided in the applicable rate schedule under this tariff.

26. PROCEDURES FOR ALLOCATING FIRM CAPACITY

- 26.1 In the event firm capacity on Transporter's system becomes available or will become available other than through the applicable provisions of Sections 10 or 11 of these General Terms and Conditions or Subsection 26.10 hereof, Transporter shall post on its web site all relevant terms and conditions pertaining to such capacity and will solicit service requests for at least the following periods:
 - (a) One (1) business day for firm capacity which will be available for less than five (5) months;
 - (b) Three (3) business days for firm capacity which will be available for five (5) months or more but less than twelve (12) months; and
 - (c) Five (5) business days for firm capacity which will be available for twelve months or longer.

A Shipper submitting a service request in response to a posting pursuant to this Section 26 shall include, in addition to the information required by the applicable rate schedule, a request for any discount sought by the Shipper. The rate for the service requested by Shipper, as discounted in accordance with the Shipper's request, and the term of service requested by the Shipper, shall constitute the Shipper's bid for the capacity posted by Transporter.

- 26.2 Transporter shall evaluate and determine the value of the bid(s) for the capacity posted by Transporter in accordance with one of the following two methods, with the specific method identified in its posting:
 - (a) Net present value of reservation, demand and capacity charges per unit of capacity; or
 - (b) Rate bid, provided such bid meets the minimum term (if any) stated in Transporter's posting.

In the event Transporter receives two or more bids of equal value, then under method (a) the best bid shall be the bid with the shortest term and under method (b) the best bid shall be the bid with the longest term. Transporter shall base its selection of method (a) or method (b) upon its assessment of which method will result in greater revenues for the services associated with the capacity.

- 26.3 In processing requests for service received within the posting period, Transporter shall allocate capacity among shippers according to the present values (where method (a) is employed) or rates (where method (b) is employed) of the bids received. A ratable allocation, based on the quantities requested, shall be made among shippers that submit bids that are equal with respect to both value and term.
- 26.4 Transporter's posting shall also specify the number of days within which shippers must execute and return service agreements or precedent agreements once Transporter has allocated available capacity in accordance with Section 26.3. If a Shipper fails to execute and return the agreement tendered by Transporter within such specified period, the capacity allocated to that Shipper will be reallocated among the remaining shippers requesting the posted capacity during the posting period, in accordance with Section 26.3.
- 26.5 If some or all of the posted capacity remains available following the posting period, either for an indefinite period or for an interim period ending with the commencement date of the service(s) of the shipper(s) submitting the Best Bid(s) during the posting period ("Interim Period"), Transporter may, in its discretion, establish additional posting periods. Requests for firm service that are received by Transporter outside of an established posting period shall be processed on a first-come, first-served basis in accordance with the applicable rate schedule, subject to Section 26.6. A service agreement for capacity available only during an Interim Period shall not be a Qualifying Agreement for purposes of Section 11 of these General Terms and Conditions (Pregranted Abandonment and Right of First Refusal).
- 26.6 If Transporter receives a request for firm service (other than a backhaul service) that requires capacity that exists on Transporter's system, but has not been disclosed to shippers pursuant to Section 9 of these General Terms and Conditions, Transporter shall solicit service requests for such capacity, and shall allocate such capacity in accordance with this Section 26. In such case, the request for capacity that had not been disclosed shall be considered to have been received in response to the posting and during the posting period.

- 26.7 Any shipper submitting a request in response to a posting pursuant to this Section 26 may later amend its bid prior to the conclusion of the posting period.
- 26.8 Notwithstanding the above, Transporter shall not be obligated to accept any bid or execute a service agreement or precedent agreement at a rate less than the maximum rate allowable under the applicable rate schedule. Transporter's posting may specify a minimum rate and the latest commencement date that Transporter will accept for service requiring the capacity described in its posting.
- 26.9 In the event Transporter announces a plan to construct or acquire facilities that would result in additional capacity, Transporter may use any or all of the procedures set forth in this Section 26 or may use different procedures so long as it allocates capacity without undue discrimination.
- 26.10 If capacity posted hereunder is contracted by a shipper, either in response to the posting or outside of an established posting period pursuant to Subsection 26.5 hereof, for a primary term of less than twelve (12) months, Transporter shall not be obligated to post such capacity upon expiration of such contract pursuant to this Section 26, but may process request for firm service utilizing such capacity on a first-come first-served basis, subject to Subsection 26.6 hereof.

27. <u>RESERVED FOR FUTURE USE</u>

28. <u>POLICY CONCERNING REIMBURSEMENT FOR FACILITY</u> <u>CONSTRUCTION</u>

- 28.1 Except as provided in Section 28.2 herein, Shipper shall reimburse Transporter (a) for the costs of any facilities installed by Transporter with Shipper's consent to receive, measure, transport or deliver natural gas for Shipper's account and (b) for any and all filings and approval fees required in connection with Shipper's Service Agreement that Transporter is obligated to pay to the Commission or any other governmental authority having jurisdiction. Any reimbursement due Transporter by Shipper pursuant to this Section 28.1 shall be due and payable to Transporter within ten (10) days of receipt by Shipper of Transporter's bill(s) for same; provided, however, subject to Transporter's consent such reimbursement, plus carrying charges thereon, may be amortized over a mutually agreeable period not to extend beyond the primary contract term of the service agreement between Transporter and Shipper. Carrying charges shall be computed utilizing interest factors acceptable to both Transporter and Shipper.
- Transporter may waive from time to time, at its discretion, all or a portion 28.2 of the facility cost reimbursement requirement set forth in Section 28.1 if Shipper provides Transporter adequate assurances of transportation throughput to make construction of the facilities economical to Transporter. Transporter shall post the circumstances under which such waivers are granted on its web site to the extent required by Commission regulations. Shipper's service agreement may provide that a waiver of reimbursement hereunder will be rescinded, and Shipper will be obligated to reimburse Transporter for all or a specified portion of the facility cost reimbursement requirement, if, at any time, Shipper materially defaults on its payment obligations under the agreement or if Shipper becomes subject to a bankruptcy, reorganization, insolvency or similar proceeding. All requests for waiver shall be handled by Transporter in a manner which is not unduly discriminatory. For purposes of determining whether a project is economical, Transporter will evaluate projects on the basis of various economic criteria, which will include the estimated transportation throughput, cost of the facilities, operating and maintenance as well as administrative and general expenses attributable to the facilities, the revenues Transporter estimates will be generated as a result of such construction, and the availability of capital funds on terms and conditions acceptable to Transporter. In estimating the revenues to be generated, Transporter will evaluate the existence of capacity limitations downstream of the facilities, the marketability of the capacity, the location of the

markets, the interruptible versus the firm nature of the transportation service, and other similar factors which impact whether the available deliverability will actually be transported.

29. <u>PERIODIC REPORTS</u>

Set forth below are reports required to be filed by Transporter pursuant to Commission orders:

(a) Docket No. CP14-501-000 Beech Hill Storage Complex, Allegany County, New York

> Pursuant to the Commission's Letter Order issued March 25, 2021, Transporter must file semi-annual reports providing information on all actions taken and an assessment of the results of those actions on halting the migration of gas specific to the Beech Hill Storage Complex.

 (b) Docket No. CP17-443-000
 Wharton Well WH23 Abandonment Project, Potter County, Pennsylvania

Pursuant to the Commission's Letter Order issued July 27, 2018, Transporter must file quarterly progress reports providing information on the results of the pressure evaluation of Well WH23 and the status of plugging and abandonment activities.

30. <u>INDUSTRY STANDARDS</u>

In compliance with 18 CFR §284.12

Transporter has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.2, which are required by the Commission in 18 CFR §284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards not Incorporated by Reference and their Location in Tariff:

NAESB	
Standard	Tariff Record
1.3.1	Part 7, GT&C §1 – Definition of Terms (No. 1.3)
1.3.2(i)	Part 7, GT&C §13.1(a) – Timely Nominations
1.3.2(ii)	Part 7 GT&C §13.1(a) – Intraday Nominations
1.3.2 (ii – vi)	Part 7, GT&C §13.1(b) – Intraday Nominations
1.3.4	Part 7, GT&C §13.1 – Nominations
1.3.6	Part 7, GT&C §13.1(c) – Other Nominations
1.3.23	Part 7, GT&C §13.2 – Scheduling
2.3.18	Part 7, GT&C §14.3(c) – Allocation of Receipts
2.3.18	Part 7, GT&C §14.4(c) – Allocation of Deliveries
3.2.1	Part 7, GT&C §1 – Definition of Terms (No. 1.5)
3.3.15	Part 7, GT&C §5 – Billing and Payment
3.3.18	Part 7, GT&C §5.2 – Payment
5.2.3	Part 7, GT&C §1 – Definition of Terms (No. 1.28)
5.3.1	Part 7, GT&C §10.3(c) – Capacity Release Timeline
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5.3.3	Part 7, GT&C §10.5(a) – Determination of Best Bid
5.3.4	Part 7, GT&C §10.5(c) – Determination of Best Bid
5.3.8	Part 7, GT&C §10.2(a)(xi) – Notice by Existing Shipper
5.3.11	Part 7, GT&C §10.6 – Awards
5.3.12	Part 7, GT&C §10.3(a) – Posting of Shipper's Notice
5.3.13	Part 7, GT&C §10.4(c) – Bidding Procedures

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5.3.14	Part 7, GT&C §10.2(b) – Notice Required by Existing Shipper
5.3.15	Part 7, GT&C §10.4(c) – Bidding Procedures
5.3.16	Part 7, GT&C §10.2(b) – Notice Required by Existing Shipper
5.3.26	Part 7, GT&C §10.2(a)(ix) – Notice by Existing Shipper
5.3.28	Part 7, GT&C §10.2(a)(iii) – Notice by Existing Shipper
5.3.29	Part 7, GT&C §10.2(a)(iii) – Notice by Existing Shipper
5.3.44	Part 7, GT&C §10.11 – Intraday Recalls of Capacity
5.3.45	Part 7, GT&C §10.11(b) – Intraday Recalls of Capacity
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Standards Incorporated by Reference:

Additional Standards:

General:

Definition:	0.2.5
Standards:	0.3.1, 0.3.2, 0.3.16, 0.3.17

Creditworthiness:

Standards: 0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9, 0.3.10

Gas/Electric Operational Communications:

Standards: 0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards: 0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets: 0.4.2, 0.4.3

Location Data Download:

Standards: 0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29

Dataset: 0.4.4

Storage Information

Datasets: 0.4.1

Nominations Related Standards:

Definitions:	1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11,
	1.2.12, 1.2.13, 1.2.14, 12.15, 1.2.16, 1.2.17, 1.2.18, 1.2.19
Standards:	1.3.3, 1.3.5, 1.3.7, 1.3.8, 1.3.9, 1.3.11, 1.3.13, 1.3.14, 1.3.15, 1.3.16,
	1.3.17, 1.3.18, 1.3.19, 1.3.20, 1.3.21, 1.3.22, 1.3.24, 1.3.25, 1.3.26,
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	1.3.45, 1.3.46, 1.3.48, 1.3.51, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62,
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	1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80, 1.3.81, 1.3.82

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Flowing Gas Related Standards:

Definitions:	2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5
Standards:	2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.9, 2.3.10, 2.3.11, 2.3.12, 2.3.13, 2.3.14, 2.3.15, 2.3.16, 2.3.17, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.26, 2.3.27, 2.3.28, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.49, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.49, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.41, 2.3.45, 2.3.46, 2.3.45, 2.3.45, 2.3.46, 2.3.45, 2.3.45, 2.3.46, 2.3.45, 2.3.45, 2.3.45, 2.3.46, 2.3.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2.45, 2
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Invoicing Related Standards:

- Standards: 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.14, 3.3.16, 3.3.17, 3.3.19, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27
- Datasets: 3.4.1, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

- Definitions: 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, 4.2.20

Capacity Release Standards:

- Definitions: 5.2.1, 5.2.2, 5.2.4, 5.2.5
- Standards: 5.3.5, 5.3.7, 5.3.9, 5.3.10, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.24, 5.3.25, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.56, 5.3.58, 5.3.59, 5.3.60, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Datasets: 5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 5.4.24, 5.4.25, 5.4.26, 5.4.27

Internet Electronic Transport Related Standards:

- Definitions: 10.2.1, 10.2.2, 10.2.3, 10.2.4, 10.2.5, 10.2.6, 10.2.7, 10.2.8, 10.2.9, 10.2.10, 10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17, 10.2.18, 10.2.19, 10.2.20, 10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26, 10.2.27, 10.2.28, 10.2.29, 10.2.30, 10.2.31, 10.2.32, 10.2.33, 10.2.34, 10.2.35, 10.2.36, 10.2.37, 10.2.38, 10.2.39
- Standards: 10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.14, 10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25, 10.3.26, 10.3.27, 10.3.28, 10.3.29

Standards for which Waiver or Extension of Time to Comply have been granted:

None.

31. <u>QUALIFICATION FOR SERVICE</u>

31.1 Shippers requesting new or additional service under any rate schedule must provide the information required by this Subsection 31.1 and on Transporter's "Service Request Form" (available on Transporter's web site). No service will be scheduled for receipt and delivery until a completed "Service Request Form" with respect to such service has been provided to Transporter. A "Service Request Form" shall be tendered no earlier than ninety days prior to the proposed commencement date of service, unless the construction of new facilities is required, unless the request is for capacity that will not be available until the proposed commencement date or unless the request is for capacity posted by Transporter pursuant to Section 26 of the General Terms and Conditions of this tariff. If a shipper requests two or more commencement dates for specified quantities under a single service agreement as provided in Section 37.1 of these General Terms and Conditions, each specified quantity will be treated as a separate request for purposes of the preceding sentence. All completed "Service Request Forms" are to be sent to:

> National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221

Any modification of an existing service shall be requested by Shipper's submission of a new "Service Request Form" with a notation on the Form that the service requested is a modification of an existing service.

Any request shall include the following:

- (a) <u>Receipt/Delivery Points</u>: The requested receipt and delivery points as set forth in the applicable rate schedule,
- (b) <u>Quantities</u>: The requested quantities, as set forth in the applicable rate schedule.
- (c) <u>Term</u>: The proposed commencement date and term of service.
- (d) <u>Shipper Certification</u>: A statement by the Shipper certifying that all necessary upstream and downstream arrangements will be in place on the date the transportation service is to commence, that Shipper will have good title or the good right to deliver the gas to be

delivered to Transporter, and if the transportation service is to be provided pursuant to Section 311(a) of the Natural Gas Policy Act (NGPA), certification including sufficient information to verify that Shipper's transportation service qualifies under Section 311(a) of the NGPA. Such certification shall include a statement by the intrastate pipeline or local distribution company on whose behalf such transportation service is to be performed that:

- (i) The intrastate pipeline or local distribution company has physical custody of and transports the natural gas at some point; or
- (ii) The intrastate pipeline or local distribution company holds title to the natural gas at some point, which may occur prior to, during, or after the time that the gas is being transported by the interstate pipeline, for a purpose related to its status and function as an intrastate pipeline or a local distribution company; or
- (iii) The gas is delivered at some point to a customer that either is located in a local distribution company's service area or is physically able to receive direct deliveries of gas from an intrastate pipeline, and that local distribution company or intrastate pipeline certifies that it is on its behalf that the interstate pipeline is providing transportation service.
- (e) <u>Facilities</u>: Identification and location of any facilities proposed to be constructed or installed by any party affected by the proposed transportation service, including, but not limited to, equipment sufficient to provide Transporter with measurement information from a supervisory control and data acquisition ("SCADA").
- (f) <u>Credit Evaluation</u>:
 - (i) a copy of Shipper's most recent audited financial statement and most recent financial statement, audited or unaudited;
 - (ii) a copy of Shipper's most recent twelve-month audited financial statement or Annual Report and, if applicable, 10-K form;
 - (iii) a list of Shipper's affiliates, including parent and subsidiaries, if applicable.

In the event Shipper cannot provide the information in Subsection 31.1(f)(i) and/or (ii) above, Shipper shall, if applicable, provide that information for its parent company.

- 31.2 (a) Transporter shall not be required to perform or to continue service on behalf of any Shipper who is or has become insolvent or who, at Transporter's request, fails within a reasonable period to demonstrate creditworthiness; provided, however, such Shipper may receive service
 - (i) if Shipper prepays for such service or furnishes good and sufficient security, as determined by Transporter in its reasonable discretion, in an amount equal to:
 - (A) for service under the IAS Rate Schedule, the highest Negative Imbalance Cash-Out price (set forth at Section 14.9(a) of these General Terms and Conditions) occurring during the twelve (12) month period preceding the date service is requested times the quantity of advanced gas requested, or
 - (B) for all other services, the cost of performing the service requested by Shipper for a three-month period; or
 - (ii) if it prepays for service or furnishes an irrevocable letter of credit pursuant to Section 31.2(c) hereof.

For purposes herein, the insolvency of a Shipper shall be evidenced by the filing by Shipper or any parent entity thereof (hereinafter collectively referred to as "the Shipper") of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction in the premises adjudging the Shipper bankrupt or insolvent, or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Shipper under the Federal Bankruptcy Act or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Shipper or of any substantial part of its property, or the ordering of the winding-up or liquidation of its affairs, with said order or decree continuing unstayed and in effect for a period of sixty (60) consecutive days.

- (b) For purposes of Section 31.2(a), a Shipper's creditworthiness shall not have been demonstrated if (i) the Shipper has a poor credit history, as established by a reliable reporting agency, or with respect to any services provided by Transporter, or (ii) the Shipper's net worth, or its unencumbered assets in each state in which Transporter operates, is worth less than the amount applicable under Section 31.2(a)(i). Transporter may, from time to time, limit the service it provides to Shipper to such level as is commensurate with the prepayment or other security provided as set forth above, or as is necessary to ensure that neither Shipper's net worth, nor its unencumbered assets in the states in which Transporter operates is less than the amount applicable under Section 31.2(a)(i).
- (c) Shipper may receive service if it provides, no later than noon, ET, on the business day prior to the day on which nominations for the desired service are due, to Transporter the Specified Amounts, as defined below, either in the form of (i) a prepayment to a bank designated by Transporter in U.S. Federal funds or (ii) a letter of credit, irrevocable for ninety (90) days, from a financial institution acceptable to Transporter. Transporter shall accept a nomination from Shippers qualifying for service under this Section 31.2(c) only to the extent that the prepayment or letter of credit in effect as of such time is sufficient to cover such Specified Amount.

For Shippers requesting service under the IAS Rate Schedule, the Specified Amount shall be the sum of the amount projected to become payable to Transporter based on Shipper's request and the amount equal to the highest Negative Cash-Out Price (set forth at Section 14.9a) of these General Terms and Conditions) occurring during the twelve (12) month period preceding the date service is requested times the quantity of advanced gas requested. For Shippers requesting service under other rate schedules, the Specified Amount shall be the amount projected to become payable to Transporter based on the Shipper's nominated deliveries for the month.

31.3 (a) Upon Transporter's determination that Shipper's request for service is complete, Transporter will enter such request on a list of pending complete requests and so notify Shipper. Subject to Sections 10, 11 and 26 of these General Terms and Conditions, Transporter will evaluate its ability to satisfy complete requests for transportation in

their order of entry on such list. Transporter shall process requests for service within a reasonable period of time. If Transporter rejects a request for service which has been entered on Transporter's list of pending complete requests, Transporter will so notify Shipper within ten (10) days of such rejection. In such event, Shipper's request for service will not remain entered on such list unless Shipper notifies Transporter, within thirty (30) days of Transporter's notification of rejection, that its request should remain so entered.

Upon receipt of such written notification by Shipper, Shipper's request will remain entered for an additional six (6) months, and for additional six (6) month periods thereafter provided that Shipper notifies Transporter in writing, prior to the conclusion of a six (6) month period, that it requests an extension.

(b) A Service Agreement (or, when tendered by Transporter in response to a request for firm service that requires the construction of facilities, a precedent agreement) shall be executed by Shipper and Transporter following Transporter's acceptance in writing of Shipper's request for service. Subject to Section 26 of the General Terms and Conditions of this tariff, in the event the Service Agreement or precedent agreement is not executed by Shipper and returned within thirty (30) days after Transporter tendered the contract, Transporter shall consider the request for service invalid.

31.4 <u>New Facilities</u>.

Notwithstanding anything to the contrary in this tariff, if the service requested by Shipper would require the construction of lateral or other nonmainline facilities by Transporter, Transporter may require (i) of a noncreditworthy Shipper, security for a value up to the cost of such facilities, with respect to Shipper's reimbursement obligations under Section 28.1 (if any) and, in addition to any security required by Subsection 31.2(a), Shipper's obligations under its service agreement, and (ii) of a creditworthy Shipper, a commitment to provide the security identified in clause (i) of this Subsection 31.4 in the event Shipper becomes non-creditworthy. In no event shall the amount of the security exceed the cost of the facilities, and in the event facilities are to be constructed to accommodate more than one shipper, such amount shall not exceed the cost of the facilities allocable to Shipper. This tariff does not govern the security requirements applicable to mainline facility projects.

32. TRANSFERS OF STORAGE BALANCE

- 32.1 Subject to the limitations of this Section 32, and subject to Section 3.7 of the ISS Rate Schedule, any Shipper under the ESS, FSS or ISS Rate Schedules (a "Transferring Shipper") may transfer all or any part of its Storage Balance to:
 - (a) any other Shipper that has executed a Service Agreement providing for service under the ESS, FSS or ISS Rate Schedule ("Receiving Shipper"), including Service Agreements executed in connection with the release of storage service under Section 10 of these General Terms and Conditions;
 - (b) its Storage Balance under a different Service Agreement under the ESS, FSS or ISS Rate Schedules (in which capacity the Transferring Shipper shall be referred to as the "Receiving Shipper"); or
 - (c) Transporter, in order to make contractually required returns of gas (including allowances) to Transporter under Transporter's IAS Rate Schedule.
- 32.2 A Transferring Shipper may transfer all or any part of its Storage Balance to a Receiving Shipper only as follows:
 - (a) Transferring Shipper and Receiving Shipper shall each submit to Transporter a Customer Nomination as described in Section 13.1 of these General Terms and Conditions, which Customer Nomination shall be without conditions and identify the date(s) on which the transfer is proposed to be effective. Upon Transporter's receipt of both Customer Nominations to transfer Storage Balance, both such nominations shall be irrevocable.
 - (b) Subject to the limitations of this Section 32, a Storage Balance transfer from Transferring Shipper to Receiving Shipper will occur at the effective time of the Receiving Party's nomination for that transfer.
 - (c) By delivering to Transporter a Customer Nomination for a transfer of Storage Balance under this Section 32, Transferring Shipper warrants to Transporter that Transferring Shipper has the authority to transfer the Storage Balance.

(d) Any time during a Withdrawal Period that the aggregate Storage Balance of all Shippers under the ESS and FSS Rate Schedules is less than 40% of the aggregate MSQ of all Shippers under the ESS and FSS Rate Schedules, then Transporter shall post on its web site a critical system-wide notice to that effect.

Any time during the Withdrawal Period and prior to the posting of such notice, transferred inventory will increase the Storage Balance of the Receiving Shipper, and decrease the Storage Balance of the Transferring Shipper, for all purposes. After the posting of this notice and until the end of the Withdrawal Period in which the transfer occurs, Transferring Shipper and Receiving Shipper shall be entitled to no greater withdrawal entitlement in the aggregate than the Transferring Shipper would have had absent the transfer, including delivery obligations that are assumed by avoiding or delaying the imposition of a ratchet.

- 32.3 All provisions of Section 13 of these General Terms and Conditions shall apply to Customer Nominations to transfer Storage Balance under this Section 32, except that Transporter may reject a nominated transfer of Storage Balance as described in this Section 32.3. Transporter may reject a nominated transfer of Storage Balance (and notify nominating Shippers) within the time period and in the manner by which the nominating Shipper must receive notice of its scheduled quantities pursuant to Section 13.1 of the General Terms and Conditions of this tariff. To reject a nominated transfer of Storage Balance, Transporter must determine, in its reasonable discretion (in which Transporter may assume that Receiving Shipper will subsequently nominate to withdraw the transferred Storage Balance and ship it to Receiving Shipper's primary delivery point or points under its firm transportation agreement, if any) that:
 - (a) the nominated transfer would cause the Storage Balance of Receiving Shipper to exceed that Shipper's MSQ;
 - (b) the Storage Balance of Transferring Shipper is less than the quantities proposed to be transferred;
 - (c) the nominated transfer would not be a transfer to Transporter or to an entity which qualifies to be a Receiving Shipper as described in Section 32.1;

- (d) the nominated transfer would increase Transporter's obligation to deliver gas in any capacity-constrained portion of Transporter's system;
- (e) effecting the nominated transfer would require Transporter, for operational reasons, to inject gas into any storage field at the same time it is withdrawing gas from other storage field(s);
- (f) the nominated transfer would in any way threaten the integrity of Transporter's system;
- (g) the nominated transfer would impair Transporter's current or future operations, or curtail current or future service to any firm Shipper at a Primary Point; or
- (h) the nominated transfer would require Transporter to issue an operational flow order to any other Shipper.
- 32.4 Except as set forth in Section 3.7 of the ISS Rate Schedule, no injection charge, withdrawal charge, surcharge, or Storage Operating and LAUF Retention shall apply to a transfer of Storage Balance under this Section 32; provided, however, that any charge specifically provided for in a Rate Schedule for a transfer of Storage Balance shall be applicable. No transfer under this Section 32 shall affect Transferring Shipper's obligation to have paid charges applicable to physical injection of such Storage Balance, or Receiving Shipper's obligation to pay applicable charges upon the eventual withdrawal and transportation of such transferred Storage Balance.

33. <u>OPERATIONAL FLOW ORDERS</u>

33.1 <u>Scope of Provision</u>

This Section implements Section 284.12(b)(iv) of the Commission's Regulations, which establishes certain requirements regarding "operational flow orders (OFOs) or other measures taken to respond to adverse operational events on its system." For purposes of this provision, the abbreviation "OFO" will be used to represent any measure within the scope of Section 284.12(b)(iv).

- (a) Examples of OFO's under this tariff include, without limitation:
 - (i) An interruption of service to maintain gas quality or the integrity of Transporter's system pursuant to Section 2.2 of the FT, FT-S, EFT, FST, FSS, or ESS Rate Schedule;
 - (ii) An operational flow order issued or other action taken by Transporter pursuant to the second sentence of Section 2.10 of the EFT Rate Schedule;
 - (iii) A curtailment of service pursuant to Section 16 of these General Terms and Conditions resulting from adverse operational events on Transporter's system; and
 - (iv) A declination by Transporter to schedule firm service pursuant to Section 13.2 of these General Terms and Conditions resulting from adverse operational events on Transporter's system;
 - (v) An operational flow order prohibiting unscheduled overruns pursuant to Section 15.1 of these General Terms and Conditions; and
 - (vi) A suspension or limitation of withdrawals outside the Withdrawal Period pursuant to Section 2.3(e) of the ESS Rate Schedule.
- (b) Examples of measures that do not constitute OFO's include, without limitation:

- (i) A declination by Transporter to schedule any interruptible service, or a curtailment or bumping of any interruptible service, in order to serve higher priority shippers;
- (ii) A declination by Transporter to schedule any firm service at secondary receipt or delivery points, or a curtailment of bumping of such secondary firm service, in order to provide firm service to other shippers at primary receipt and delivery points;
- (iii) A notification to a Shipper pursuant to Section 14.5 of these General Terms and Conditions that it must correct or avoid an imbalance; or
- (iv) A declination by Transporter to schedule EFT service in conflict with the Operating Protocol for EFT service, pursuant to the first sentence of Section 2.10 of the EFT Rate Schedule.
- 33.2 <u>Standards for the Beginning and End of OFO's</u>
 - (a) General

Transporter, in its reasonable discretion, shall have the right to issue OFO's upon determination by Transporter that action is required in order to alleviate conditions which threaten the integrity of Transporter's system, to maintain pipeline operations at the pressure required to provide reliable firm services, to have adequate supplies in the system to deliver on demand, to maintain and protect the integrity and performance capability of Transporter's storage fields, to maintain firm service to all shippers and for all firm services, and to maintain the system in balance for the foregoing purposes. To the extent feasible, Transporter shall direct such OFO's to those shippers causing the condition that necessitates issuance of the OFO. As soon as the conditions giving rise to an OFO have been corrected or are no longer present, the OFO shall be terminated.

(b) Pipeline Specific Standards

On Transporter's system, the circumstances which may result in an OFO include, without limitation, the following:

- (i) Unavailability of compression facilities, as a result of planned work or the necessity to make repairs;
- Unavailability of storage facilities, as a result of planned work, including periodic pressure tests, or the necessity to make repairs;
- (iii) Unavailability of pipeline facilities, as a result of planned work or the necessity to make repairs;
- (iv) Partial or entire electrical or communication failure that impairs Transporter's ability to monitor and control essential facilities;
- (v) Severe or unanticipated weather conditions, which can include unusually cold or warm temperatures for the time of year, significant differences between prevailing weather conditions from those forecasted, or sudden changes in weather conditions; and
- (vi) The presence of objectionable matter in gas in any part of Transporter's system.

33.3 Notice Procedures for OFO's

Transporter will post all notices of OFO's on its web site as expeditiously as is practicable, and, to the extent an operational flow order is applicable only to specific shippers, Transporter will notify each such Shipper by facsimile or email, provided that such Shipper has provided a facsimile number or email address to Transporter.

Transporter shall update its OFO notices with available information regarding the operational variables that determine when the OFO will begin and end. For example, if an OFO will remain in effect until repairs to a compressor or pipeline are complete, information regarding the status of the repairs will be posted by Transporter. Transporter shall post notices concerning planned work at compressor or other facilities, and scheduled pressure tests of its storage facilities, which, under reasonably foreseeable circumstances, may cause Transporter to issue an OFO. Within a reasonable time following the termination of an OFO, Transporter shall post a report detailing the factors requiring the issuance of the OFO and the termination of the OFO.

33.4 Operational Remedies Prior to Issuance of an OFO

Transporter shall, whenever practicable, attempt to obviate the issuance of an OFO to a particular shipper by (i) temporarily changing system operations, (ii) seeking the voluntary assistance of other parties, including, without limitation, shippers and interconnected facility operators, and (iii) restricting service to shippers with lower scheduling and curtailment priority.

33.5 Degrees of Severity of OFO's

If Transporter determines that it is necessary to issue an OFO, Transporter will classify the OFO within one of the following three levels of severity, with Level 1 representing the least severe operational condition and Level 3 representing the most severe operational condition:

Level 1: Transporter experiences a condition covered by Section 33.2(a) that is not a Level 2 or Level 3 condition.

Level 2: Transporter experiences a condition covered by Section 33.2(a) during the non-heating season (May-October) that threatens service to local markets directly connected to Transporter's system.

Level 3: Transporter experiences a condition covered by Section 33.2(a) during the heating season (November-April) that threatens service to local markets directly connected to Transporter's system.

34. <u>NON-CONFORMING AGREEMENTS</u>

The following agreements contain one or more currently effective provisions that differ materially from the applicable form contained in this tariff.

Name of Shipper	Agreement Number	Rate Schedule
NSTAR Gas Company	N10517	FST
NSTAR Gas Company	O10516	FSS
Transcontinental Gas Pipe Line Company, LLC	P01517 (Amendment I & III)	SS-1
Beacon Landfill Gas Holdings, Inc.	F10890	FT
Beacon Landfill Gas Holdings, Inc.	F10891	FT
Beacon Landfill Gas Holdings, Inc.	F10892	FT
Beacon Landfill Gas Holdings, Inc.	F10905	FT
Beacon Landfill Gas Holdings, Inc.	F10906	FT
Beacon Landfill Gas Holdings, Inc.	F10907	FT
NLMK Pennsylvania LLC	F11097 (Amendment II)	FT
United Refining Company	F02092 (Amendment III)	FT
Somerset Gas Gathering of Pennsylvania, LLC	Interconnection Agreement	N/A
Consolidated Edison Company of New York, Inc.	F01775	FT
Connecticut Natural Gas Corporation	N01719	FST
Connecticut Natural Gas Corporation	N01719 (Amendments I & II)	FST
Connecticut Natural Gas Corporation	O01718	FSS
Connecticut Natural Gas Corporation	O01718 (Amendment I)	FSS
Eastern Natural Gas Company	E00525	EFT
UBS AG	I10791	IT
Spark Energy Gas, LP	I10914	IT
Beacon Landfill Gas Holdings, LLC	F11547	FT

Name of Shipper	Agreement Number	Rate Schedule
Beacon Landfill Gas Holdings, LLC and The Bank of New York Mellon	Consent to Assignment and Agreement, and Amendment Nos. 1 and 2 (F11547)	N/A
Norse Pipeline, LLC	Interconnection Agreement	N/A
EnergyMark, LLC	E12367	EFT
EnergyMark, LLC	E12368	EFT
EnergyMark, LLC	E12369	EFT
EnergyMark, LLC	E12370	EFT
EnergyMark, LLC	E12371	EFT
EnergyMark, LLC	E12372	EFT
EnergyMark, LLC	E12373	EFT
National Fuel Resources, Inc.	E12366	EFT
Spotlight Energy, LLC	O12591 (Amendment III)	FSS
Spotlight Energy, LLC	N12592 (Amendment IV)	FST

35. <u>ACQUIRED CAPACITY</u>

- (a) Transporter may from time to time acquire capacity on a third-party system ("Acquired Capacity"). Transporter may use Acquired Capacity for its system operational needs and to render service to its customers. When Transporter uses Acquired Capacity to transport or store gas for others, such service will be provided pursuant to this FERC Gas Tariff. For purposes of any use of Acquired Capacity covered by this Section 35, the "shipper must hold title" requirement is waived.
- (b) This Section 35 does not preclude Transporter from seeking case specific authorization for the utilization of Acquired Capacity on terms and conditions that differ from those set forth in Section 35(a).
- In the event that Acquired Capacity used to render service to (c) Transporter's Shippers is subject to renewal limitations, consistent with the third-party provider's tariff or operating statement, Transporter will indicate, in any posting of capacity available for service, any limitation to the term or to the extension rights that will apply as a result of the limitation on the Acquired Capacity. Any such limitation shall be reflected in the Service Agreement between Transporter and Shipper. This provision shall not impact any right of first refusal Shipper may have pursuant to this tariff, except that extension of the affected Service Agreement shall be limited to the term of Transporter's contract or service agreement with the third-party provider. This Section 35.1(c) shall also apply to services provided by Transporter requiring the use of capacity in jointly-owned facilities which use may be terminated upon notice by another owner of the facilities pursuant to the applicable joint ownership agreement. In this case, any extension of the affected Service Agreement by a shipper exercising its right of first refusal shall be limited to the remainder of the notice period specified in the joint ownership agreement.

36. <u>RESERVATION OF CAPACITY FOR EXPANSION PROJECTS</u>

Transporter may elect to reserve, for future expansion projects, unsubscribed firm capacity or capacity under expiring or terminating firm transportation or firm storage service agreements where such agreements are Non-Qualifying Agreements under Section 11 of these General Terms and Condition, or Shipper does not exercise its Right of First Refusal under such section. Transporter may only reserve capacity for a future expansion project for which an open season has been held or will be held within one (1) year of the date Transporter posts such capacity as being reserved. If Transporter elects to reserve capacity for future expansion projects under this Section, such capacity may be reserved for up to one year prior to Transporter filing for certificate approval for the proposed expansion under Section 7(c) of the Natural Gas Act, and thereafter until such expansion is placed into service. Transporter shall, on a limited-term basis up to the in-service date of the expansion project, make available any capacity reserved under this section in accordance with Section 26 of these General Terms and Conditions.

A service agreement for capacity available on a limited-term basis up to the inservice date of the expansion project shall not be a Qualifying Agreement for purposes of Section 11 of these General Terms and Conditions (Pregranted Abandonment and Right of First Refusal).

Prior to reserving capacity for future expansion projects under this section, Transporter shall first make such capacity available pursuant to Section 11 or Section 26 of these General Terms and Conditions.

Capacity that remains available after the posting and bidding procedure in accordance with Section 26 may be reserved by Transporter by means of a posting on Transporter's web site which shall include, but not be limited to:

- (i) A description of the expansion project for which the capacity will be reserved;
- (ii) The total quantity of capacity to be reserved;
- (iii) The location of the proposed reserved capacity on Transporter's system;
- (iv) When Transporter held or anticipates holding an open season or otherwise posting the capacity for bidding in connection with the expansion project;
- (v) The projected in-service date of the expansion project; and,

(vi) On an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis.

Where the release of firm capacity by existing shippers could reduce the scope of the expansion project, Transporter's posting for capacity to be reserved under this section shall also include solicitation for the release of capacity from Transporter's existing shippers to serve the expansion project, provided that Transporter shall post such solicitation for turnback capacity no later than 90 days after the close of the expansion project open season.

Any capacity reserved under this Section for an expansion project that does not go forward because Transporter does not file any required application with the Commission within one year from such reservation date, or because Transporter ultimately does not receive authorization, shall be posted as available capacity within 30 days of the date such capacity becomes available subject to then existing commitments for such capacity.

37 <u>COMBINATION AND MUTUAL TERMINATION OR REDUCTION OF</u> <u>AGREEMENTS</u>

37.1 <u>Combination of Service Agreements</u>

Transporter and Shipper may mutually agree on a not unduly discriminatory basis to (i) different commencement or termination dates for specified quantities within the same service agreement and/or (ii) combine service agreements under the same rate schedule into a single service agreement with different termination dates for specified quantitative portions of Shipper's maximum quantity. Transporter and Shipper may mutually agree to combine service agreements only to the extent that each individual service agreement's rates, terms, and conditions can be distinctly maintained and will not be altered by the combination. For each service agreement executed in accordance with this Section 37.1, each of the varying commencement or termination dates and associated quantities will be set forth on a separate exhibit thereto. Each component with a different commencement or termination date for a specified quantitative portion of Shipper's maximum quantity within the same service agreement and reflected in a separate exhibit will be regarded as a single service agreement for purposes of Shipper's exercise of any Right of First Refusal under the provisions of Section 11 of these General Terms and Conditions. In the event of a constraint or other occurrence that precludes combined nominations or allocations, Transporter may advise shippers under such combined service agreements that capacity must be nominated separately, and is subject to separate allocation, pursuant to the terms of each separate exhibit of each service agreement. Each exhibit of each combined service agreements will be identified by its original contract number or such other identification convention determined to be applicable by Transporter.

37.2 <u>Mutual Termination or Reduction of Service Agreements</u>

Transporter may, on a not unduly discriminatory basis, agree with a Shipper to terminate its service agreement prior to its expiration date or reduce the contract quantity thereunder. The situations in which Transporter may so agree include, without limitation, the following:

(a) where shipper responds to a solicitation for capacity release offers in an open season for capacity requiring the construction of new facilities pursuant to Section 26 of these General Terms and Conditions, and the conditions set forth in the solicitation have been satisfied;

- (b) where shipper no longer qualifies for service pursuant to Section31.2 of these General Terms and Conditions;
- (c) where the termination or reduction of the service agreement is part of a restructuring of services between Transporter and Shipper, involving the execution of one or more new service agreements or the extension of one or more other existing service agreements, which Transporter reasonably considers financially beneficial to Transporter;
- (d) where shipper agrees to pay an exit fee that is sufficient, taking into account the remaining term of the agreement and the value and liquidity of the capacity subscribed under the service agreement being terminated or reduced, to make the termination or reduction financially beneficial to Transporter, in Transporter's reasonable judgment; provided, however, that Transporter may waive the exit fee where Shipper's service agreement provides for a discounted rate and Transporter concludes that the capacity subscribed thereunder would be sold at a higher rate for the full remaining term of such agreement.

An agreement to terminate or reduce a service agreement hereunder shall not constitute a material deviation from the applicable form of service agreement.

38. <u>PRESSURE</u>

- Transporter shall deliver gas at each delivery point to or for the account of (a) Shipper at the pressure which shall be available from time to time in Transporter's pipeline, less any pressure reduction that may occur through any measurement, flow control, regulation or other appurtenant facilities that are owned by Transporter; provided, however, that Transporter and a firm Shipper may mutually agree to a specific minimum delivery pressure for a stated period at any delivery point or points which Transporter shall agree to meet or exceed, and where necessary, upon specified conditions to ensure that such agreement does not have any adverse effects on Transporter's system. Transporter's obligation to meet or exceed this minimum delivery pressure shall be contingent upon total deliveries at the particular delivery point or points not exceeding the sum of the maximum quantities, applicable to such point, of all Shippers with firm service agreements specifying such point as a primary delivery point. Transporter may meet or exceed the specified minimum delivery pressure if deliveries at the delivery point or points are in excess of such sum, but shall have no obligation to do so. If Transporter and Shipper agree to a specific minimum delivery pressure obligation for a stated period, the pressure obligation and any conditions will be specified in the service agreement in the blank spaces provided in the Form of Service Agreement. Transporter may at any time, and from time to time, exceed a minimum delivery pressure obligation it has made to a Shipper. Transporter also may operate its facilities at less than the minimum delivery pressure obligation made to a Shipper when maintenance of the minimum pressure is not necessary to effect delivery of scheduled quantities up to the maximum quantity specified in Shipper's service agreement. If Transporter and a Shipper are unable to mutually agree upon a minimum pressure commitment, Transporter will, upon request from that Shipper, provide a written explanation concerning the operational reasons for the denial.
- (b) Shipper shall deliver gas or cause gas to be delivered to Transporter at the receipt point(s) at a pressure sufficient to allow the gas to enter Transporter's pipeline, as such pressure shall vary from time to time, provided, however, that such pressure shall not exceed any maximum pressure determined by Transporter from time to time. Transporter shall not be required to compress into its pipeline gas transported under any rate schedule, or otherwise change its normal pipeline operations. Transporter and Shipper may agree to a specific minimum receipt pressure for a stated period at any point or points, below which Transporter is not obligated to receive gas from or on behalf of Shipper, and where necessary, upon

specified conditions to ensure that such agreement does not have any adverse effect on Transporter's system. If Transporter and Shipper agree to a specific minimum receipt point pressure obligation for a stated period, the pressure obligation and any conditions will be specified in the service agreement in the blank spaces provided in the Form of Service Agreement. If Transporter and a Shipper are unable to mutually agree upon a minimum pressure commitment, Transporter will, upon request from that Shipper, provide a written explanation concerning the operational reasons for the denial.

- (c) Transporter will not enter into minimum pressure obligations or conditions that will adversely affect Transporter's ability to meet its firm service obligations to an existing Shipper. In addition, Transporter will not unilaterally impose new contractual minimum pressure conditions when an existing Shipper exercises its right of first refusal in accordance with Section 11 of these General Terms and Conditions.
- (d) The receipt and delivery pressure requirements set forth in Section 6 of the EFT Rate Schedule shall apply to EFT Shippers, notwithstanding anything to the contrary in this Section 38.

39. <u>DISCOUNTED AGREEMENTS</u>

In any amendment to a service agreement providing for discounted rates Transporter and Shipper may agree to one or more of the following provisions:

- (a) that a specified discounted rate will apply only to specified quantities under the agreement;
- (b) that a specified discounted rate will apply only if specified quantities are achieved or only with respect to quantities below a specified level;
- (c) that a specified discounted rate will apply only during specified periods of the year or for a specifically defined period, which provision may permit Transporter to specify whether the maximum rate or a discount rate would apply to periods beyond the expiration of the primary term of the service agreement;
- (d) that a specified discounted rate will apply only to specified points, combinations of points, zones or other defined geographical area(s), which provision may include an explanation of how reservation or other fixed charges are calculated when non-discounted points, zones or areas are used;
- (e) that a specified discounted rate will apply in a specified relationship to the quantities actually transported [i.e., that the reservation charge will be adjusted in a specified relationship to quantities actually transported];
- (f) that a specified discounted rate is based on published index prices for specific receipt and/or delivery points or other agreed upon published pricing reference points (such discounted rate may be based upon the differential between published prices or arrived at by formula). Any agreement containing such discounted rate shall specify the rate component(s) to be discounted. To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per maximum daily quantity. Furthermore, such discount shall not change the underlying rate design to include any minimum bill or minimum take provision that has the effect of guaranteeing revenue;
- (g) 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 or is less than the applicable minimum rate due to a change in Transporter's maximum (minimum) rates so that such

rate component must be adjusted downward (upward) to equal the new applicable maximum (minimum) rate, then other rate components may be adjusted upward (downward) to achieve the agreed overall rate, so long as none of the resulting rate components exceed the maximum rate or are less than the minimum rate applicable to that rate component. The amendment may also provide for an adjustment to rate components to achieve the overall revenues attributable to the agreed rates under the service agreement being amended and other service agreements under the same or other rate schedules, should changes in Transporter's maximum or minimum rates increase or decrease the revenues attributable to such other service agreement, so long as none of the resulting rate components exceed the maximum rate or are less than the minimum rate applicable to that rate Such changes to rate components shall be applied component. prospectively, commencing with the date a Commission order accepts revised tariff sections. Nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates that had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable;

(h) that Shipper agrees to forgo any reservation charge credits to which Shipper would otherwise be entitled pursuant to Section 3.6 of the FT, FT-S, EFT or FST Rate Schedule.

Notwithstanding the foregoing, no discount agreement may provide that an agreed discount as to a defined quantity level will be invalidated if the Shipper transports an incremental quantity above the agreed level. Transporter and Shipper may agree to a discounted rate provided that the discounted rate is between the applicable maximum and minimum rates.

A provision entered into pursuant to this Section 39 shall not constitute a material deviation from the applicable form of service agreement.

40. <u>OPERATIONAL PURCHASES AND SALES OF GAS</u>

- 40.1 Transporter may purchase and/or sell gas to the extent necessary to balance quantities retained pursuant to its Transportation Fuel and Company Use Retention, Transportation LAUF Retention, or Storage Operating and LAUF Retention with Transporter's Transportation Fuel and Company Use, Transportation LAUF and Storage Fuel and Losses. Any such sales will be made on an unbundled basis at interconnections between Transporter and other interstate pipelines; and any such sales or purchases will have a lower scheduling priority than firm transportation or firm storage service.
- 40.2 Transporter will make a web site posting of each such proposed purchase or sale which shall include at a minimum (a) the level of daily quantities and whether the purchases or sales shall be made on a firm or interruptible basis; (b) the requested commencement date and term of the purchase or sale; and (c) the point(s) of receipt and/or delivery. The posting will solicit bids within a stated bidding period. Transporter will apply nondiscriminatory credit standards in evaluating bids. Transporter will award the purchase to the bidder(s) submitting the lowest bid(s) and the sale to the bidder(s) meeting the applicable credit standards that submit the highest bid(s). If stated in the posting, Transporter may reserve the right to withdraw its offering for operational, economic, or other reasons.
- 40.3 Except for (a) purchases for which the costs are capitalized by Transporter, or (b) purchases and sales resulting from Negotiated Rate agreements providing for a retention factor different than the applicable Retainage stated in this tariff; costs and revenues associated with purchases and sales undertaken pursuant to this section shall be subject to the crediting mechanism set forth at Section 14.9 of these General Terms and Conditions.
- 40.4 This Section 40 does not apply to purchases and sales undertaken to resolve shipper imbalances, which are subject to Section 14 of these General Terms and Conditions.

41. <u>TRANSPORTATION AND STORAGE RETAINAGE AND EPCR</u> <u>ADJUSTMENTS</u>

41.1 General

This section sets forth the procedures Transporter shall use to adjust its Transportation Fuel and Company Use Retention, Transportation LAUF Retention, and Storage Operating and LAUF Retention and Northern Access 2015 Retention ("NA15 Retention") (collectively, the "Retainages") and its Electric Power Cost Rates ("EPCRs") for transportation and storage services. Each Retainage shall be stated as a percentage and each EPCR shall be stated in dollars per Dth. With respect to Negotiated Rate agreements providing for a retention factor or EPCR different than the Retainage or EPCR stated in this tariff, Transporter shall assume that it retains or charges the Retainage or EPCR stated in this tariff, for purposes of calculating the Retainages and the EPCRs.

41.2 Definitions

- (a) "Base Period" shall mean the period of twelve months ending three
 (3) months prior to the effective date of a change in the Retainages or EPCRs filed pursuant to this Section 41; provided that for Transporter's first annual filing, or any out-of-cycle adjustment prior to the first annual filing, the term "Base Period" shall mean the period commencing May 1, 2012 and ending three (3) months prior to the effective date of a change in the Retainages or EPCRs.
- (b) "Electric Power Costs" shall mean the costs incurred by Transporter for electric power, which are recorded in FERC Accounts 819 and 855 and incurred for the operation of Transporter's compressor stations with electric motor prime movers and electric power cost charges paid to third-parties pursuant to transportation, storage, joint ownership or other agreements entered into by Transporter.
- (c) "Electric Power Cost Rates" shall mean the Electric Power Cost Rates for transportation and storage services determined and adjusted in accordance with this Section 41 and set forth in Sections 4.010-4.050 of this tariff.
- (d) "Estimated Quantities" shall mean (a) with respect to transportation services, the actual billable transportation received quantities in the Base Period for which Transporter applies the Transportation Fuel and Company Use Retention and NA 15 Retention and the

Transportation LAUF Retention, or charges the EPCR; or (b) with respect to storage services, the actual billable storage quantities received for injection or withdrawn in the Base Period for which Transporter applies the Storage Operating and LAUF Retention; provided that for Transporter's first annual filing, or any out-ofcycle adjustment prior to the first annual filing, Base Period quantities shall be annualized in determining Estimated Quantities.

- (e) "Fuel and Losses" shall refer collectively to Transportation Fuel and Company Use; Transportation LAUF; and Storage Fuel and Losses; each of which shall be referred to as a category of Fuel and Losses.
- (f) "NA15 Retention" shall refer to the fuel and Company use retention determined and adjusted in accordance with this Section 41 applicable to NA15 shipper(s) as set forth in Section 4.010 of this tariff.
- (g) "Storage Operating and LAUF Retention" shall mean the Storage Operating and LAUF Retention determined and adjusted in accordance with this Section 41 and set forth in Sections 4.010-4.050 of this tariff.
- (h) "Storage Fuel and Losses" shall include (a) fuel used by Transporter at compressor stations identified as Underground Storage Compressors in Transporter's Form No. 2, and other fuel use, company use, surface and subsurface losses and unaccounted for gas associated with storage facilities (but not including extraordinary reservoir losses); less (b) quantities retained under a lease of storage capacity on Transporter's system.
- (i) "Transportation Fuel and Company Use" shall mean (a) fuel and company use in connection with the provision of transportation services or leased capacity, including without limitation (i) fuel used at compressor stations (except for those identified as Underground Storage Compressors in Transporter's Form No. 2), heaters, and other facilities; (ii) company use; and (iii) gas provided to third parties pursuant to transportation, joint ownership or other agreements utilized by Transporter in connection with the provision of transportation services; less (b) quantities retained pursuant to a lease of transportation capacity on Transporter's system.
- (j) "Transportation Fuel and Company Use Retention" shall mean the Transportation Fuel and Company Use Retention determined and

adjusted in accordance with this Section 41 and set forth in Sections 4.010-4.050 of this tariff.

- (k) "Transportation LAUF" shall mean (a) lost and unaccounted for gas experienced by Transporter in connection with the provision of transportation services; less (b) quantities retained pursuant to a lease of transportation capacity on Transporter's system.
- (1) "Transportation LAUF Retention" shall mean the Transportation LAUF Retention determined and adjusted in accordance with this Section 41 and set forth in Sections 4.010-4.050 of this tariff.

41.3 Filing and Effectiveness of Retainages and EPCR

Transporter shall file annually to revise its Retainages and EPCR at least thirty (30) days prior to the effective date of the proposed changes. Such filings shall be filed by Transporter to become effective on April 1 of each year; provided that Transporter shall have the right to file out-of-cycle adjustments as described in Section 41.5(e) below. With each filing, for the NA15 Retention revision, Transporter shall include an analysis of the usage of the NA15 facilities and associated fuel use of the NA15 shippers and resulting applicable retention, consistent with the study provided in Docket No. RP17-407-002 computing the use of the facilities by NA15 shippers for the most recent period. Such determined fuel use shall be removed from the determination of system shipper fuel.

41.4 Determination of Retainages

- (a) Fuel and Losses in each category for the Base Period, including the effect of prior period adjustments recorded during the Base Period, shall be summed with the balance at the end of the Base Period in the applicable Deferred F&LR subaccount as determined in accordance with Section 41.5 below.
- (b) The Transportation Fuel and Company Use, NA15 Retention, Transportation LAUF, and Storage Fuel and Losses determined pursuant to Section 41.4(a) shall be divided by the applicable Estimated Quantities to arrive at the Transportation and Company Use Retention, NA15 Retention, Transportation LAUF Retention, and Storage Operating and LAUF Retention, respectively. With respect to the determination of the Storage Operating and LAUF Retention, Transporter's filings shall separately identify the amount

of surface and subsurface losses and unaccounted for gas associated with its storage facilities.

41.5 Deferred F&LR Accounts

- (a) Transporter shall maintain a Deferred F&LR Account with appropriate subaccounts for each Retainage to separately track over or under collections of Fuel and Losses. Each such subaccount may have a negative or positive balance to reflect any past over or under collection of Fuel and Losses.
- (b) Transporter shall determine for each month the difference between
 (a) actual Fuel and Losses in each category and (b) quantities retained by Transporter under each respective Retainage.
- (c) The balance in the applicable Deferred F&LR subaccounts shall be increased or decreased by the difference computed pursuant to Section 41.5(b) above. These subaccount balances shall also be increased (or decreased) to reflect any operational sales (or operational purchases) subject to the crediting mechanism set forth at Section 14.9 of these General Terms and Conditions. Such operational sales (or operational purchases) shall be allocated among the subaccounts with negative (or positive) balances in proportion to the magnitude of such negative (or positive) balances.
- (d) Transporter shall include the balance of each Deferred F&LR subaccount as of the end of the Base Period in the determination of the Retainages as set forth in Section 41.4 above.
- (e) To the extent the Deferred F&LR Account exceeds 500,000 Dth (positive or negative), Transporter shall have the right to file an outof-cycle Retainage adjustment utilizing the same methodology contained herein to be effective on not less the thirty (30) days notice.

41.6 Establishment and Determination of the EPCRs

Transporter shall establish its initial <u>EPCRs</u> and determine the EPCRs for each period as follows:

(a) Within ninety (90) days following the date it first incurs Electric Power Costs, and at least thirty (30) days prior to the effective date,

Transporter shall file to establish its initial EPCRs for transportation and storage services. Transporter's initial EPCRs shall be computed by dividing Transporter's estimate of its Electric Power Costs applicable to transportation and storage services for the three hundred sixty-five (365) day period beginning on the date it first incurs Electric Power Costs by the applicable Estimated Quantities.

- (b) For both transportation and storage services, Electric Power Costs for the base period, including the effect of prior period adjustments recorded during the Base Period, shall be summed with the balance as of the end of the Base Period in the applicable Deferred EPCR subaccount, as determined in accordance with Section 41.7 below.
- (c) The amounts determined pursuant to Section 41.6(a) above shall be divided by the applicable Estimated Quantities to arrive at the EPCRs for transportation and storage services.
- 41.7 Deferred EPCR Accounts
 - (a) Beginning on the date Transporter first incurs Electric Power Costs, Transporter shall maintain a Deferred EPCR Account with appropriate subaccounts for transportation and storage services to separately track over or under collections of Electric Power Costs related to those services. Such account(s) may have a negative or positive balance to reflect any past over or under recovery of Electric Power Costs.
 - (b) Transporter shall determine for each month the difference between its Electric Power Costs and EPCR charges billed to its shippers.
 - (c) The applicable subaccounts shall be increased or decreased by the difference computed pursuant to Section 41.7(b) above. Interest shall be computed on the balance in the Deferred EPCR Account, positive or negative, based on the methodology set forth in Section 154.501 of the Commission's Regulations.
 - (d) Transporter shall include the appropriate Deferred EPCR subaccount balance as of the end of the Base Period in the determination of the EPCRs as set forth in Section 41.6 above.

42. <u>PIPELINE SAFETY AND RELIABILITY AND GREENHOUSE GAS COST</u> <u>ADJUSTMENT MECHANISM</u>

42.1 General

This section sets forth the procedures Transporter shall use to recover the Cost of Service of Pipeline Safety and Reliability Costs and Greenhouse Gas Costs necessary to modernize Transporter's system, as defined below.

42.2 <u>Definitions</u>

- a. "Annual Period" shall mean the period of twelve months beginning on the effective date of each annual filing pursuant to this section, except that the Annual Period for the initial filing to implement any surcharges hereunder shall include the entire prior period during which costs accumulated to reach the \$2.5 million threshold under Section 42.5(b).
- "Transmission Cost of Service" shall mean with respect to facilities b. in service during the period of the surcharge, for each Annual Period, the sum of (A) the cost of service attributable to capital expenditures that are Pipeline Safety and Reliability Costs or Greenhouse Gas Costs in the transmission function, determined by multiplying such capital expenditures (net of any applicable accumulated deferred income taxes and accumulated depreciation) by the sum of (i) a rate base multiplier of 15.50% (that reflects a pretax rate of return and taxes other than income tax) and (ii) the applicable depreciation and amortization rates; (B) additional operation and maintenance expenses that are Pipeline Safety and Reliability Costs or Greenhouse Gas Costs in the transmission function, and (C) the transmission portion of the additional administrative and general expenses that are Pipeline Safety and Reliability Costs or Greenhouse Gas Costs, to be determined by allocating such administrative and general expenses between the Transmission and Storage Costs of Service in proportion to the ratio between Transmission Cost of Service and Storage Cost of Service with administrative and general expenses excluded.
- c. "Storage Cost of Service" shall mean, for each Annual Period, the sum of (A) the cost of service attributable to capital expenditures that are Pipeline Safety and Reliability Costs or Greenhouse Gas Costs in the storage function, determined by multiplying such

capital expenditures (net of any applicable accumulated deferred income taxes and accumulated depreciation) by the sum of (i) a rate base multiplier of 15.50% (that reflects a pretax rate of return and taxes other than income tax) and (ii) the applicable depreciation and amortization rates; (B) additional operation and maintenance expenses that are Pipeline Safety and Reliability Costs or Greenhouse Gas Costs in the storage function, and (C) the storage portion of additional administrative and general expenses that are Pipeline Safety and Reliability Costs or Greenhouse Gas Costs, to be determined by allocating such administrative and general expenses between the Transmission and Storage Costs of Service in proportion to the ratio between Transmission Cost of Service and Storage Cost of Service with administrative and general expenses excluded.

- d. "Applicable Service Agreements" shall mean: (i) maximum rate part 284 service agreements and SS-1 storage service agreements and, (ii) negotiated rate and discounted rate service agreements.
- e. "Estimated Surcharges" shall mean, for the Applicable Service Agreements, the projected billing determinants for the applicable Annual Period.
- f. "Pipeline Safety and Reliability Costs" shall mean costs actually incurred by Transporter and costs projected to be incurred by Transporter, if such projected costs are known and measurable to comply with New legislation and New regulatory requirements, such as an order, advisory bulletins, regulations, policy statements, security directives, rulemakings or other actions of general applicability, for pipeline safety or are costs incurred or to be incurred by the Transporter after February 1, 2024, to implement and to comply with the PIPES Act of 2020 (See Public Law No. 116-260 (published December 27, 2020)), including any resulting regulations, as well as the Pipeline and Hazardous Materials Safety Administration's "gas mega rule" Part 1 (See 84 Federal Register 52180 (published Oct. 10, 2019)) and Part 2 (See 87 Federal Register 52224 (published August 24, 2022)), "UNGSF (Storage) Final Rule" (See 85 Federal Register 8104 (published March 13, 2020)), and the "RMV rule" (See 87 Federal Register 20940 (published April 8, 2022)). Such costs shall also include costs actually incurred and known and measurable costs projected to be incurred by Transporter in connection with significant

modernization projects that are necessary to enhance safety, integrity, reliability, and/or efficiency.

"Greenhouse Gas Costs" shall mean costs actually incurred by g. Transporter and projected to be incurred by Transporter, if such projected costs are known and measurable, to comply with applicable sections of the Clean Air Act, New greenhouse gas and/or emissions legislation, rulemakings or New greenhouse gas regulations of any federal, regional, state or local authority, associated with emissions or releases of carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6), nitrogen trifluoride (NF3), products of combustion or any other gas or aerosol including any combination of the foregoing or targeted to other emissions and precursors to ozone such as nitrogen oxides (NOx) and volatile organize compounds (VOCs). Greenhouse Gas Costs shall include but not be limited to costs: (i) for the acquisition or production of any renewable energy credits, allowances, greenhouse gas offsets or any other climate change related programs, whether such costs are incurred under a carbon tax, command and control, cap and trade, or any other statutory, regulatory or trading framework; (ii) for the purchase of greenhouse gas allowances and offsets, renewable energy certificates (RECs); (iii) for any other emissions reduction or climate change related program or actions, including any assessments or pass-through to Transporter of any third-party vendor or supplier costs. Greenhouse Gas Costs also include costs incurred or to be incurred by Transporter after February 1, 2024 to implement and comply with the Inflation Reduction Act (See Public Law 117-169 (published August 16, 2022)) and any resulting regulations, the PIPES Act of 2020 (See Public Law No. 116-260 (published December 27, 2020)) and any resulting regulations, the Climate Leadership and Community Protection Act (See NY Environmental Conservation Law, Article 75 (published July 18, 2019)) and any resulting regulations, the EPA's Good Neighbor Rule (See 88 Fed. Reg. 36654 (published June 5, 2023)) and Subpart YYYY (85 Fed. Reg. 13524 (published March 9, 2020)), New York Part 203 (6 NYCRR Part 203 (adopted January 18, 2022), and Pennsylvania RACT 3 (25 Pa. Code Chs. 121 and 129 (adopted November 12, 2022)). Provided, however, that any proceeds received net of costs incurred by Transporter from the sale of greenhouse gas allowances and offsets and REC's which are related to Greenhouse Gas Costs shall be used to reduce such costs. Such costs shall also include costs actually incurred and known and measurable costs projected to be incurred by Transporter in connection with significant modernization projects that are necessary to reduce emissions and/or improve efficiency.

- h. "New" as used in Section 42.2(f) and (g) above shall mean not effective with respect to Transporter as of February 1, 2024.
- i. "PSR/GHG Surcharges" shall mean the Pipeline Safety and Reliability and Greenhouse Gas surcharges to be determined pursuant to Section 42.4.
- j. "Estimated Reservation Billing Determinants" shall mean, for the Applicable Service Agreements, the projected reservation billing determinants for the applicable Annual Period.

42.3 <u>Filing and Effectiveness of Surcharges</u>

- a. Transporter shall file annually to revise its Transmission Pipeline Safety and Reliability Costs and Greenhouse Gas Costs surcharge and its Storage Pipeline Safety and Reliability Costs and Greenhouse Gas Costs surcharge (PSR/GHG Surcharges) at least 30 days prior to the effective date of the proposed change in the surcharges. Transporter's annual filing shall be filed on or before September 30 to become effective November 1.
- b. The initial filing to implement Transporter's surcharges, if any, pursuant to this Section 42 shall become effective on November 1, 2024; provided that if Transporter does not make such filing to become effective on November 1, 2024, Transporter shall have the right to make such initial filing in a subsequent period prior to September 30 of such year.
- c. Shippers on whom the surcharges are assessed shall have the right to intervene in Commission dockets initiated by filings pursuant to this Section 42 and to challenge the eligibility and prudence of costs incurred or projected, the reasonableness of projected cost estimates, the level of billing determinants used, including any discount adjustments reflected in billing determinants, or the accuracy of calculations underlying the PSR/GHG Surcharges. Transporter shall include in its filings workpapers detailing the Pipeline Safety and Reliability Costs and Greenhouse Gas Costs underlying each of the surcharges and also the derivation of such PSR/GHG Surcharges. No challenges shall be made or protests entertained by the

Commission which assert that an examination of overall costs and revenues underlying Transporter's base rates is necessary to allow the PSR/GHG Surcharges to become effective.

- d. Except for any balances remaining in the Deferred Surcharge Accounts for the surcharges, the applicability of this Section 42 shall terminate on the effective date of the next general NGA Section 4 rate proceeding filed by Transporter, ("Expiration Date"). Within 60 days after the Expiration Date, Transporter shall make a filing to true-up any balances remaining in the Deferred Surcharge Account by either: (i) a refund to shippers who paid PSR/GHG Surcharges in the final Annual Period through a one-time credit to each firm Applicable Service Agreement, pro rata based on its proportion of total amount paid; or (ii) a one-time reservation surcharge to shippers having a firm Applicable Service Agreement in the month immediately following the expiration date of the mechanism, pro rata based on proportion of the Estimated Reservation Billing Determinants in that month.
- 42.4 <u>Determination of Surcharges</u>

Transporter shall determine the Transmission PSR/GHG Surcharge and the Storage PSR/GHG Surcharges (Demand/Deliverability and Capacity) for each Annual Period as follows:

- a. The Transmission PSR/GHG reservation surcharge shall be calculated by dividing the sum of (i) the Transmission Cost of Service for the Annual Period and (ii) any projected balance in the Transmission Demand Surcharge Deferred subaccount as of the end of the immediately preceding Annual Period, by the Estimated Reservation Billing Determinants for firm transportation services.
- b. The Storage PSR/GHG surcharges shall be calculated by:

For the Storage PSR/GHG capacity surcharge dividing the sum of (i) 50% of the Storage Cost of Service for the Annual Period and (ii) any projected balance in the Storage PSR/GHG capacity Surcharge Deferred subaccount as of the end of the immediately preceding Annual Period, by the Estimated Billing Determinants for firm storage services for capacity; and

For the Storage PSR/GHG demand/deliverability surcharge dividing the sum of (i) 50% of the Storage Cost of Service for the Annual

Period and (ii) any projected balance in the Storage PSR/GHG demand/deliverability Surcharge Deferred subaccount as of the end of the immediately preceding Annual Period, by the Estimated Billing Determinants for firm storage services for demand/deliverability.

- c. Notwithstanding the foregoing, in its first filing, Transporter may also include in its surcharge determinations the Transmission Cost of Service and Storage Cost of Service, if any, for the time period from February 1, 2024 through the day immediately preceding the effective date of such filing.
- d. The applicable PSR/GHG Surcharges shall be included in Sections 4.010 4.030 of this tariff.

42.5. Limitations

- a. The following limitations shall apply in the determination of the PSR/GHG Surcharges pursuant to Section 42.4 above: For each Annual Period, the Cost of Service for Greenhouse Gas Costs (both Transmission and Storage) and for Pipeline Safety and Reliability Costs (both Transmission and Storage) shall be subject to a cap of \$40 million, including any amounts in excess of the cap for prior Annual Periods or related to the Deferred Account(s).
- b. Transporter shall not file for PSR/GHG Surcharges to recover the Cost of Service attributable to Pipeline Safety and Reliability Costs (both Transmission and Storage) and Greenhouse Gas Costs (both Transmission and Storage) unless the Cost of Service exceeds \$2.5 million.
- 42.6 <u>Deferred Surcharge Accounts</u>
 - a. Transporter shall maintain Deferred Surcharge Accounts with appropriate subaccounts to separately track over or under collections of the Transmission and Storage PSR/GHG Surcharges. Such account(s) may have a negative or positive balance to reflect any past over or under collection of the surcharges.
 - b. Transporter shall determine for each Annual Period the difference between each Cost of Service incurred, and the actual revenues recovered from the PSR/GHG Surcharges.

- c. The applicable subaccounts shall be increased or decreased by the difference computed pursuant to Section 42.6(b) above. Interest shall be computed on the balance in the appropriate Deferred Surcharge Accounts (transmission, storage capacity, storage demand/deliverability), positive or negative, based on the methodology set forth in Section 154.501 of the Commission's Regulations.
- d. Transporter shall include each projected Deferred Surcharge Account balance as of the end of the applicable Annual Period in the calculation of the appropriate PSR/GHG Surcharges as set forth in Section 42 above.

42.7. Next General Rate Case

Nothing in this Section 42, shall preclude Transporter from seeking in the next general rate proceeding to recover in rates any capital costs, including return of and on capital expenditures, and new or continuing non-capital costs associated with pipeline safety and reliability programs, greenhouse gas emissions reductions, and modernization or any other costs to become effective on or after the Expiration Date specified in Section 42.3(d).

PART 8 – FORMS OF SERVICE AGREEMENT

FT – Firm Transportation Service	Form 8.010
FT-S – Firm Transportation Service - Seasonal	Form 8.020
EFT – Enhanced Firm Transportation Service	Form 8.030
FST – Firm Storage Transportation Service	Form 8.040
IT – Interruptible Transportation Service	Form 8.050
PTR - Plant Thermal Reduction Transportation Service	Form 8.055
IAS – Interruptible Advance Service	Form 8.060
FSS – Firm Storage Service	Form 8.070
ESS – Enhanced Storage Service	Form 8.080
ISS – Interruptible Storage Service	Form 8.090
Reserved for Future Use	Form 8.100
Reserved for Future Use	Form 8.110
Reserved for Future Use	Form 8.120
Reserved for Future Use	Form 8.130
Reserved for Future Use	Form 8.140
SS-1 – 110-Day Underground Storage Service	Form 8.150
MPPAS – Market Pooling Point Aggregation Service	Form 8.160

FORM OF SERVICE AGREEMENT (FT Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and ______, a ______, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's FT Rate Schedule, Transporter agrees to receive for Shipper's account for transportation up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of _____ Dekatherms (Dth)

Transporter agrees to deliver for Shipper's account and Shipper agrees to accept delivery of the above quantities, provided, however, that Transporter will retain from the above quantities the applicable Transportation Fuel and Company Use retention and the applicable Transportation LAUF Retention.

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule FT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ("Commencement Date") and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (insert number as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and

stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, Article III - Term of Agreement - shall provide as follows: See Exhibit A.]

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the MDTQ applicable to each point of receipt, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account and the MDTQ applicable to each point of delivery shall be: See Exhibit A.

For purposes of Section 2.8 of the FT Rate Schedule, Shipper's transportation path and the eligible receipt and delivery points along such path are as follows: See Exhibit A.

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule FT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter: National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221 Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 16.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[Where Transporter and Shipper agree that their service agreement will be subject to the provisions of Section 11 of the General Terms and Conditions, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[include any restrictions on shipper's right of first refusal here]

[In the case of a service agreement that is not a Qualifying Agreement under Section 11.1 of the General Terms and Conditions by virtue of Section 26.5 or Section 36 thereof, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall not be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

[If Transporter and Shipper have entered into a credit and/or reimbursement arrangement in connection with a facility construction project, the terms of such arrangement or a cross-reference will appear here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:	
0	

Name: _____

Title:

(Shipper)

Signature: _____

Name: _____

Title:

EXHIBIT A To FT Service Agreement #_____ between National Fuel Gas Supply Corporation ("Transporter") and _____ ("Shipper")

Point(s) of Receipt

Point 1997

<u>MDTQ</u>

Pressure

The interconnection between Transporter and_____.

____ Dth / Day

[Insert minimum receipt pressure if applicable, and any applicable time periods or conditions]

Point(s) of Delivery

Point Point

MDTQ*

Pressure

The interconnection between Transporter and_____.

____ Dth / Day

[Insert minimum delivery pressure if applicable, and any applicable time periods or conditions]

Transportation Path

* Subject to reduction to reflect the Transportation Fuel and Company Use Retention and the Transportation LAUF Retention.

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, the following information shall be included:

[This Agreement shall be effective upon the date hereof. Service hereunder shall commence ______ and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number</u> as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof].

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

- ____ This Agreement shall be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- ____ This Agreement shall not be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

FORM OF SERVICE AGREEMENT (FT-S Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and _____, a _____, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's FT-S Rate Schedule, Transporter agrees to receive for Shipper's account for transportation up to the following quantities of natural gas:

Time Period

Contract Maximum Daily Transportation Quantity (MDTQ) in Dekatherms (Dth)

Transporter agrees to deliver for Shipper's account and Shipper agrees to accept delivery of the above quantities, provided, however, that Transporter will retain from the above quantities the applicable Transportation Fuel and Company Use Retention and the applicable Transportation LAUF Retention.

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule FT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to

propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ______ ("Commencement Date") and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number as determined below</u>) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

(In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.)

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, Article III - Term of Agreement - shall provide as follows: See Exhibit A.]

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the MDTQ applicable to each point of receipt, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account and the MDTQ applicable to each point of delivery shall be: See Exhibit A.

For purposes of Section 2.8 of the FT-S Rate Schedule, Shipper's transportation path and eligible receipt and delivery points along such path are as follows: See Exhibit A.

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule FT-S, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter: National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221 Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 16.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[Where Transporter and Shipper agree that their service agreement will be subject to the provisions of Section 11 of the General Terms and Conditions, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[include any restrictions on shipper's right of first refusal here]

[In the case of a service agreement that is not a Qualifying Agreement under Section 11.1 of the General Terms and Conditions by virtue of Section 26.5 or Section 36 thereof, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall not be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

[If Transporter and Shipper have entered into a credit and/or reimbursement arrangement in connection with a facility construction project, the terms of such arrangement or a cross-reference will appear here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:	
0	

Name: _____

Title:

(Shipper)

Signature: _____

Name: _____

Title:

EXHIBIT A To FT-S Service Agreement #_____ between National Fuel Gas Supply Corporation ("Transporter") and ("Shipper")

Point(s) of Receipt

Point

MDTQ

Pressure

The interconnection between Transporter and_____.

____ Dth / Day

[Insert minimum receipt pressure if applicable, and any applicable time periods or conditions]

Point(s) of Delivery

Point

<u>MDTQ</u>*

Pressure

The interconnection between Transporter and_____.

____ Dth / Day

[Insert minimum delivery pressure if applicable, and any applicable time periods or conditions]

Transportation Path

* Subject to reduction to reflect the Transportation Fuel and Company Use Retention and the Transportation LAUF Retention.

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, the following information shall be included:

[This Agreement shall be effective upon the date hereof. Service hereunder shall commence ______ and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number</u> as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof].

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

- ____ This Agreement shall be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- ____ This Agreement shall not be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

FORM OF SERVICE AGREEMENT (EFT Service)

AGREEMENT made ______, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and ______, a ______, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's EFT Rate Schedule, Transporter agrees to transport for Shipper's account up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of _____ Dekatherms (Dth)

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule EFT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ("Commencement Date") and continue in effect for a [primary] term ending _____ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (insert number as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

(In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.)

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, Article III - Term of Agreement - shall provide as follows: See Exhibit A.]

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the receipt entitlements applicable to each point of receipt, or combinations of receipt points, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be: See Exhibit A.

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule EFT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

National Fuel Gas Supply Corporation
Commercial Services
6363 Main Street
Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 16.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[Where Transporter and Shipper agree that their service agreement will be subject to the provisions of Section 11 of the General Terms and Conditions, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[include any restrictions on shipper's right of first refusal here]

[In the case of a service agreement that is not a Qualifying Agreement under Section 11.1 of the General Terms and Conditions by virtue of Section 26.5 or Section 36 thereof, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall not be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

[If Transporter and Shipper have entered into a credit and/or reimbursement arrangement in connection with a facility construction project, the terms of such arrangement or a cross-reference will appear here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

Name: _____

Title:

(Shipper)

Signature:

Name: _____

Title:

EXHIBIT A To EFT Service Agreement #_____ between National Fuel Gas Supply Corporation ("Transporter") and ("Shipper")

Receipt Entitlements

[identify receipt entitlements, and any linked delivery points or point combinations pursuant to Section 2.5 of the EFT Rate Schedule]

Receipt Points

Delivery Points

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, the following information shall be included:

[This Agreement shall be effective upon the date hereof. Service hereunder shall commence _______ and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert</u> <u>number as determined below</u>) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof].

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

- ____ This Agreement shall be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- ____ This Agreement shall not be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

FORM OF SERVICE AGREEMENT (FST Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and _____, a _____, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's FST Rate Schedule, Transporter agrees to transport for Shipper up to the following quantities of natural gas:

Contract Maximum Daily Injection Transportation Quantity (MDITQ) of _____ Dekatherms (Dth)

Contract Maximum Daily Withdrawal Transportation Quantity (MDWTQ) of _____ Dekatherms (Dth)

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule FST set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ("Commencement Date") and continue in effect for a [primary] term ending ______

[, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number as determined below</u>) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, Article III - Term of Agreement - shall provide as follows: See Exhibit A.]

ARTICLE IV

Points of Receipt and Delivery

The primary injection receipt point(s) for all gas that may be received for Shipper's account for transportation by Transporter for injection, and the MDITQ applicable to each such point of receipt, shall be: See Exhibit A.

The primary injection delivery point(s) for all gas to be delivered by Transporter for Shipper's account for injection and the MDITQ applicable to each point of delivery shall be: See Exhibit A.

The primary withdrawal receipt point(s) for all gas that may be received for Shipper's account for transportation by Transporter after withdrawal and the MDWTQ applicable to each such point of receipt, shall be: See Exhibit A.

The primary withdrawal delivery point(s) for all gas to be delivered by Transporter for Shipper's account after withdrawal and the MDWTQ applicable to each point of delivery shall be: See Exhibit A.

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule FST, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter: National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221 Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 16.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[Where Transporter and Shipper agree that their service agreement will be subject to the provisions of Section 11 of the General Terms and Conditions, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[include any restrictions on shipper's right of first refusal here]

[In the case of a service agreement that is not a Qualifying Agreement under Section 11.1 of the General Terms and Conditions by virtue of Section 26.5 or Section 36 thereof, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall not be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

[If Transporter and Shipper have entered into a credit and/or reimbursement arrangement in connection with a facility construction project, the terms of such arrangement or a cross-reference will appear here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

(Shipper)

Signature:

	Exhibit A Service Agreement # Between Supply Corporation ("Transp and ("Shipper")	porter")
Primary Injection Receipt Point(s)		
Point	<u>MDITQ</u>	Pressure
The interconnection between Transporter and	Dth/Day	[Insert minimum receipt pressure if applicable, and any applicable time periods or conditions]
Primary Injection Delivery Point(s)		
Point	MDITQ*	Pressure
Transporter's Storage System.	Dth/Day	[Insert minimum delivery pressure if applicable, and any applicable time periods or conditions]
Primary Withdrawal Receipt Point(s)		
Point	<u>MDWTQ</u>	Pressure
Transporter's Storage System.	Dth/Day	[Insert minimum receipt pressure if applicable, and applicable time periods or conditions]
Primary Withdrawal Delivery Point(s)		
Point	<u>MDWTQ</u> *	Pressure
The interconnection between Transporter and	Dth/Day	[Insert minimum delivery pressure if applicable, and any applicable time periods or conditions]

*Less applicable Transportation Fuel and Company Use Retention and the applicable Transportation LAUF Retention.

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, the following information shall be included:

[This Agreement shall be effective upon the date hereof. Service hereunder shall commence ______ and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number</u> as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof].

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

- ____ This Agreement shall be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- ____ This Agreement shall not be treated as a Qualifying Agreement under Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

FORM OF SERVICE AGREEMENT (IT Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and ______, a ______, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on an interruptible basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's IT Rate Schedule, Transporter agrees to receive for Shipper's account for transportation up to the following quantities of natural gas:

Maximum Daily Transportation Quantity (MDTQ) of _____ Dekatherms (Dth)

Transporter agrees to deliver for Shipper's account and Shipper agrees to accept delivery of the quantities received from Shipper, provided, however, that Transporter will retain from the above quantities the applicable Transportation Fuel and Company Use Retention and the applicable Transportation LAUF Retention.

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule IT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective Superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ______ ("Commencement Date") and continue in effect for a [primary] term ending ______

[, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number as determined below</u>) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas received for Shipper's account for transportation by Transporter shall be:

The Point(s) of Delivery for all gas delivered by Transporter for Shipper's account shall be:

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule IT, including any provisions of the General Terms and Conditions incorporated therein, or any effective superseding rate schedule or otherwise applicable rate schedule, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation
	Commercial Services
	6363 Main Street
	Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 16.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

(Shipper)

Signature:

FORM OF SERVICE AGREEMENT (PTR Service)

AGREEMENT made _____, by and between **NATIONAL FUEL GAS SUPPLY CORPORATION**, a Pennsylvania corporation, hereinafter called "Transporter" and _____, a _____, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on an interruptible basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's PTR Rate Schedule, Transporter agrees to transport quantities of natural gas for Shipper's account through its Unprocessed Gas System (as defined in Section 24.1 of the General Terms and Conditions of Transporter's FERC Gas Tariff) that are associated with the Related Gas Stream (as defined in Section 1 of the PTR Rate Schedule).

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule PTR set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence on ______, and continue in effect on a month to month basis until terminated by either party by written notice to the other no later than thirty (30) days prior to the beginning of a month.

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas received for Shipper's account for transportation by Transporter shall be those interconnections between Shipper's and Transporter's facilities located on Transporter's Unprocessed Gas System, as defined in Section 24.1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

The Point(s) of Delivery for all gas delivered by Transporter for Shipper's account shall be the Third-Party Processing Plants specified in Section 24.1 of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule PTR, including any provisions of the General Terms and Conditions incorporated therein, or any effective superseding rate schedule or otherwise applicable rate schedule, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Commercial Services
	6363 Main Street Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

13. Shipper appoints the shipper(s) of the Related Gas Stream (as defined in Section 1.1 of the PTR Rate Schedule) as its agent(s) for purposes of invoicing and payment hereunder.

[14. - 15.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

(Shipper)

Signature:

FORM OF SERVICE AGREEMENT (IAS Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and ______, a ______, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter advance natural gas; and

WHEREAS, Transporter has agreed to provide such advance for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will advance to Shipper, on an interruptible basis, and Shipper will return, or cause to be returned, to Transporter natural gas, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's IAS Rate Schedule, Transporter agrees to advance to Shipper up to the following quantities of natural gas: Maximum Advance Quantity (MAQ) of ______ Dekatherms (Dth)

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule IAS set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to advance service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence _______ and continue in effect for a [primary] term ending ______ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (<u>insert number as determined below</u>) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof].

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas returned to Transporter shall be:

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule IAS, including any provisions of the General Terms and Conditions incorporated therein, or any effective superseding rate schedule or otherwise applicable rate schedule, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter: National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be

held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 14.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

(Shipper)

Signature: _____

FORM OF SERVICE AGREEMENT (FSS Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter," and _____, a ____, hereinafter called "Shipper."

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will store natural gas for Shipper during the term, at the rates and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's FSS Rate Schedule Transporter agrees to receive, cause to be injected into storage for Shipper's account, store, withdraw from storage, and deliver to Shipper quantities of natural gas as follows:

Maximum Storage Quantity (MSQ) of _____ Dekatherms (Dth) Maximum Daily Injection Quantity (MDIQ) of ____ Dth Maximum Daily Withdrawal Quantity (MDWQ) of ____ Dth

[Pursuant to Section 2.9 of the FSS Rate Schedule, any seasonal, inventory-related or other limitation on injections and/or withdrawals, and any inventory reduction schedule applicable to a particular agreement will be inserted here.]

ARTICLE II

<u>Rate</u>

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule FSS set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ("Commencement Date") and continue in effect for a [primary] term ending (date coincides with the end of the storage period) _____ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (insert number as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide storage service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

The Injection Period shall be from ______ to _____ and the Withdrawal Period shall be from ______ to _____. The Injection and Withdrawal Periods shall constitute the Storage period.

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, Article III - Term of Agreement - shall provide as follows: See Exhibit A.]

ARTICLE IV

Receipt and Delivery Points

The Point(s) of Receipt for all gas that may be received for Shipper's account for storage by Transporter, and the MDTQ applicable to each point of receipt, shall be:

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account and the MDTQ applicable to each point of delivery shall be:

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate. National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule FSS, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter: National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 14.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[Where Transporter and Shipper agree that their service agreement will be subject to the provisions of Section 11 of the General Terms and Conditions, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[include any restrictions on shipper's right of first refusal here]

[In the case of a service agreement that is not a Qualifying Agreement under Section 11.1 of the General Terms and Conditions by virtue of Section 26.5 or Section 36 thereof, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall not be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

[If Transporter and Shipper have entered into a credit and/or reimbursement arrangement in connection with a facility construction project, the terms of such arrangement or a cross-reference will appear here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

Name: _____

Title: _____

(Shipper)

Signature: _____

Name: _____

Title:

FORM OF SERVICE AGREEMENT (ESS Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter," and _____, a ____, hereinafter called "Shipper."

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will store natural gas for Shipper during the term, at the rates and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's ESS Rate Schedule Transporter agrees to cause to be injected into storage for Shipper's account, store, and withdraw from storage, quantities of natural gas as follows:

Maximum Storage Quantity (MSQ) of _____ Dekatherms (Dth) Maximum Injection Quantity (MDIQ) of ____ Dth Maximum Withdrawal Quantity (MDWQ) of ____ Dth

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule ESS set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ("Commencement Date") and continue in effect for a [primary] term ending April 1,____ [, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (insert number as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide storage service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer, except for service agreements for capacity available only during an Interim Period under Section 26.5 of the General Terms and Conditions and service agreements for capacity available on a limited-term basis up to the in-service date of an expansion projects under Section 36 of the General Terms and Conditions. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

[For agreements entered into or combined pursuant to Section 37.1 of the General Terms and Conditions, Article III - Term of Agreement - shall provide as follows: See Exhibit A.]

ARTICLE IV

Regulatory Approval

Performance under this Agreement by Transporter shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE V

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule ESS, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VI

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Commercial Services 6363 Main Street
	Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be

held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 14.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[Where Transporter and Shipper agree that their service agreement will be subject to the provisions of Section 11 of the General Terms and Conditions, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[include any restrictions on shipper's right of first refusal here]

[In the case of a service agreement that is not a Qualifying Agreement under Section 11.1 of the General Terms and Conditions by virtue of Section 26.5 or Section 36 thereof, the following provision will be inserted:

Transporter and Shipper agree that this Agreement shall not be treated as a Qualifying Agreement for purposes of Section 11 of the General Terms and Conditions.]

[Any restrictions on a shipper's right of first refusal resulting from a limitation on acquired capacity, pursuant to Section 35(c) of the General Terms and Conditions, shall be inserted here]

[If Transporter and Shipper have entered into a credit and/or reimbursement arrangement in connection with a facility construction project, the terms of such arrangement or a cross-reference will appear here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

Name: ______

(Shipper)

Signature:

Name: _____

Title:

FORM OF SERVICE AGREEMENT (ISS Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter," and _____, a , hereinafter called "Shipper."

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will store natural gas for Shipper during the term, at the rates and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's ISS Rate Schedule Transporter agrees to receive, cause to be injected into storage for Shipper's account, store, withdraw from storage, and deliver to Shipper quantities of natural gas as follows:

Maximum Storage Quantity (MSQ) of _____ Dekatherms (Dth) Maximum Daily Injection Quantity (MDIQ) of ____ Dth Maximum Daily Withdrawal Quantity (MDWQ) of ____ Dth

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule ISS set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence ("Commencement Date") and continue in effect for a [primary] term ending _______[, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon (insert number as determined below) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof]. As of the Commencement Date, Transporter will stand ready to provide storage service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed

by others to provide upstream or downstream transportation of gas to be transported hereunder

{In general, the bracketed language shall be included in agreements with a term of one (1) year or longer. In general, the notice period to be inserted shall be six (6) months where the primary term is two (2) years or less, and twelve (12) months where the primary term is more than two (2) years. Transporter and Shipper may agree on a not unduly discriminatory basis to include the bracketed language in shorter-term agreements or to different notice or evergreen periods.}

ARTICLE IV

Receipt and Delivery Points

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, shall be:

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be:

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule ISS, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:

National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be

held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The Parties' obligations hereunder are not subject to the availability of transportation services upstream and downstream of Transporter's system. Shipper assumes all responsibility for the arrangement of any such upstream and downstream service.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

12. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

[13. - 14.] [If service is provided under Subpart 284B of the Commission's regulations, a reference thereto would be inserted here.]

[The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

(Shipper)

Signature: _____

Name: _____

Title:

Part 8 – Forms of Service Agreement Form 8.100 - Reserved for Future Use Version 4.0.0 Page 1 of 1

Reserved for Future Use

Part 8 – Forms of Service Agreement Form 8.110 - Reserved for Future Use Version 4.0.0 Page 1 of 1

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Part 8 – Forms of Service Agreement Form 8.120 -Reserved for Future Use Version 4.0.0 Page 1 of 1

Reserved for Future Use

Part 8 – Forms of Service Agreement Form 8.130 - Reserved for Future Use Version 4.0.0 Page 1 of 1

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Part 8 – Forms of Service Agreement Form 8.140 - Reserved for Future Use Version 4.0.0 Page 1 of 1

Reserved for Future Use

FORM OF UNDERGROUND STORAGE SERVICE AGREEMENT (Rate Schedule SS-1 -- 110 Day Service)

THIS AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation having its office and principal place of business at 6363 Main Street, Williamsville, New York 14221, hereinafter called "Transporter" and ______, a corporation having its principal place of business at _____, hereinafter called "Buyer".

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree that on the terms and conditions hereinafter provided and subject to the terms of Transporter's Rate Schedule SS-1 and all the General Terms and Conditions contained in Transporter's FERC Gas Tariff and any revisions thereof that may be made effective hereafter, such Rate Schedule and General Terms and Conditions being hereby incorporated by reference:

ARTICLE I

Character of Service and Volumes

Transporter agrees to (a) transport or cause gas to be transported for Buyer from the delivery point set forth in Article IV hereof, (b) store gas, and (c) transport or cause gas to be transported to the delivery point set forth in Article IV hereof, as provided herein, and Buyer agrees to engage Transporter to transport and store, and to pay therefore, volumes of natural gas as follows:

(i) Annual Storage Volume

The Annual Storage Volume applicable under this agreement is _____ Mcf.

(ii) Maximum Daily Injection Volume

From the commencement of the first contract year and continuing for the remaining term of this agreement the Maximum Daily Injection Volume will vary according to the percentage of Buyer's Annual Storage Volume occupied at the commencement of any given day as follows:

Maximum Daily	
Percentage	Injection Volume
Annual Storage	Based on
Volume Occupied	(Mcf)
Less than 10%	1/150
From greater than 10% to 30%	1/160
From greater than 30% to 50%	1/175
From greater than 50% to 70%	1/185
From greater than 70% to 100%	1/200

(iii) Maximum Daily Withdrawal Volume

From the commencement of the first contract year and continuing for the remaining term of this agreement the Maximum Daily Withdrawal Volume will vary according to the percentage of Buyer's Annual Storage Volume occupied at the commencement of any given day as follows:

Maximum Daily	
Percentage	Injection Volume
Annual Storage	Based on
Volume Occupied	(Mcf)
From greater than 30% to 100%	1/110
From greater than 15% to 30%	1/120
From greater than 10% to 15%	1/135
Less than 10%	1/150

ARTICLE II

Term of Agreement

The term of this agreement shall commence as of ______ and continue in effect until ______, and from year to year thereafter until terminated by either Transporter or Buyer upon not less than 12 months' prior written notice to the other specifying a termination date at the end of such period or any subsequent anniversary thereof.

ARTICLE III

Rate Schedule

Buyer shall pay Transporter for all service rendered hereunder at the rate established under Transporter's Rate Schedule SS-1 as filed with the Federal Regulatory Commission and as the same may hereafter be amended or superseded in accordance with applicable rules and regulations of the Federal Energy Regulatory Commission or successor agency having jurisdiction. This agreement shall be and remain subject to the terms and provisions of said rate schedule as in effect from time to time. It is agreed that Transporter may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

ARTICLE IV

Delivery Point and Pressures

The point of delivery for gas received for Buyer's account by Transporter and redelivered by Transporter to or for Buyer's account shall be at the pipeline interconnection of Transporter's Line EC-1 with the interstate transmission facilities of Tennessee Gas Pipeline Company ("Tennessee") and/or other facilities of Transporter near Transporter's Ellisburg Station in Potter County, Pennsylvania. The gas received by Transporter at such Ellisburg interconnection shall be at the pressure at which Tennessee or

Transporter is operating its facilities, but not less than 400 psig. The points of delivery for gas redelivered by Transporter to or for Buyer's account shall be the said Ellisburg interconnection [and also the interconnection of Transporter's Line EC-1 with the facilities of Columbia Gas Transmission Corporation ("Columbia") near Transporter's Independence Compressor Station in the town of Independence, Allegany County, New York]. The gas redelivered by Transporter to or for the account of Buyer shall be at pipeline pressures suitable for delivery into Tennessee's, [Columbia's] or Transporter's system, as the case may be; provided that Transporter shall not be obligated to deliver gas at a pressure in excess of 1,000 psig.

ARTICLE V

Miscellaneous

1. No modification of the terms and provisions of this agreement shall be or become effective except by this execution of written contracts by all parties hereto.

2. Any individual or entity which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of Transporter or Buyer, 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. Either party may, without relieving itself of its obligations under this agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise no assignment of this agreement or any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party, which consent shall not be unreasonably withheld.

3. For purposes of giving notice the post office address of each of the parties hereto at the time of executing this agreement is as follows:

Transporter: National Fuel Gas Supply Corporation Commercial Services 6363 Main Street Williamsville, New York 14221

Buyer:

4. The subject headings of the Articles of this agreement are inserted for the purpose of convenient reference and are not intended to be a part of the agreement nor considered in any interpretation of the same.

5. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE STATE OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

6. This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their proper officers thereunto duly authorized as of the date first above written.

ATTEST:

NATIONAL FUEL GAS SUPPLY CORPORATION

Secretary

By: _____ President

ATTEST:

Secretary

By: _____ President

FORM OF SERVICE AGREEMENT (MPPAS Service)

AGREEMENT made _____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and _____, a _____, hereinafter called "Pool Aggregator."

WHEREAS, Pool Aggregator has requested that Transporter enter into an agreement under which Pool Aggregator may operate one or more Market Pools at Market Pooling Points identified in Transporter's Market Pooling Point Aggregation Service Rate Schedule and Transporter will account for the quantities nominated into and out of such pools in accordance with such rate schedule; and

WHEREAS, Transporter has agreed to provide such service for Pool Aggregator subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, and subject to the terms and conditions hereof, the parties hereto agree as follows:

ARTICLE I

Quantities

This Agreement shall apply to all quantities shipped or transferred to or from Pooling Aggregator's Market Pools pursuant to Transporter's MPPAS Rate Schedule. Such quantities shall be limited to a Maximum Daily Aggregation Quantity of _____ Dth.

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Pool Aggregator shall pay Transporter the maximum rate provided under Rate Schedule MPPAS set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Pool Aggregator.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence on ______, and shall continue in effect thereafter on a month-to-month basis unless and until terminated by either Shipper or Transporter upon thirty (30) days' advance written notice.

ARTICLE IV

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE V

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule MPPAS, including any provisions of the General Terms and Conditions incorporated therein, or any effective superseding rate schedule or otherwise applicable rate schedule, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VI

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation	
	Commercial Services	
	6363 Main Street	
	Williamsville, New York 14221	

Pool Aggregator:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

11. It is expressly agreed that there is no Third Party Beneficiary of this Agreement, and that the provisions of this Agreement and the General Terms and Conditions do not impart enforceable rights to anyone who is not a party or successor or assignee of any party to this Agreement.

[12.] [The following language may be inserted, if applicable:

This agreement supersedes, cancels and terminates as of the effective date hereof the following agreements: _____]

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: _____

Name: ______

(Pool Aggregator)

Signature: _____

Name: _____

Title:

PART 9 – OTHER FORMS OF AGREEMENT

Master Service Agreement for Capacity Release Transactions	Form 9.010
Title Transfer Tracking Nominations Processing Agreement	Form 9.020
System License Agreement	Form 9.030

FORM OF MASTER SERVICE AGREEMENT FOR CAPACITY RELEASE TRANSACTIONS

AGREEMENT made this _____ day of ______, 20____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter", and ______, a _____, hereinafter called "Shipper".

WHEREAS, Shipper has requested that Transporter provide transportation or storage service on its behalf in the event that Shipper is awarded by Transporter capacity released by one or more other firm transportation or storage customers of Transporter pursuant to Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff; and

WHEREAS, Transporter agrees to provide such transportation or storage service subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, and subject to the terms and conditions hereof, the parties hereto agree that Transporter will transport or store gas for Shipper, on a firm basis.

ARTICLE I

Scope of Agreement

Transporter and Shipper acknowledge that this is a Master Service Agreement entered into pursuant to Section 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff. Upon Transporter's posting of the award of capacity, Shipper shall be bound by the terms of the source service agreement between Transporter and the releasing shipper, subject to any limitations or conditions stated in Transporter's capacity release award. The awarding and posting of the award of capacity by Transporter shall not, in and of itself, relieve the releasing shipper of further obligations under the source service agreement.

ARTICLE II

Quantities

To be specified in the applicable capacity award, not to exceed the quantities specified in the source service agreement between Transporter and the releasing shipper.

ARTICLE III

Authority for Transportation Service

To be specified in the applicable Award Notice.

(To the extent Shipper desires to utilize receipt/delivery points pursuant to Part 284 B (Section 311 of the NGPA and Section 284.102 of the Commission's regulations), Shipper must execute a separate agreement with Transporter and Shipper must also certify that the transportation of gas will be on behalf of either an intrastate pipeline or a local distribution company.)

ARTICLE IV

Rate Schedule

To be specified in the applicable Award Notice.

ARTICLE V

Term of Agreement

This Agreement shall be effective on the date hereof, and shall remain in effect unless and until terminated by either Shipper or Transporter upon thirty (30) days' notice. Termination of this Master Service Agreement shall terminate Shipper's status as a preapproved bidder pursuant to Section 10 of the General Terms and Conditions of Transporter's FERC Gas Tariff, but shall have no effect upon any capacity release transactions in effect as of the effective date of such termination.

The term of any particular release transaction shall be as specified in Transporter's capacity release award. Such term shall be subject to the exercise by the releasing Shipper of any right(s) it may have to recall its capacity or suspend or terminate the particular release transaction, and Transporter shall be authorized to rely upon any communication(s) from the releasing Shipper concerning such matters.

ARTICLE VI

Rates

The reservation, capacity or demand charge (or volumetric equivalent thereof) applicable to Shipper for service provided to and from primary receipt and primary delivery points and secondary receipt and delivery points identified in Transporter's capacity release award shall be as stated in Transporter's capacity release award. Unless Transporter shall agree otherwise, the reservation, capacity or demand charge (or volumetric equivalent thereof) applicable to Shipper for service provided to or from a secondary receipt or delivery point not identified in Transporter's capacity release award shall be at the maximum rates provided under the rate schedule applicable to the source service agreement.

The commodity, injection, withdrawal, Transportation Fuel and Company Use Retention, Transportation LAUF Retention, Storage Operating and LAUF Retention and other variable charges and any other related fees or surcharges shall be at the maximum rates provided under the rate schedule applicable to the source service agreement.

ARTICLE VII

Points of Receipt and Delivery

Transporter's capacity release award shall indicate the primary or secondary receipt and delivery points applicable to a particular release transaction. Gas pressures for each receipt and delivery point shall be as stated in the source service agreement. If Shipper is awarded capacity subject to Transporter's FT or FT-S Rate Schedule, the capacity release award shall indicate the eligible secondary receipt and delivery points located along Shipper's transportation path for purposes of Section 2.5 of such rate schedules.

ARTICLE VIII

Communications

Transporter shall award the capacity to Shipper and make any requisite posting on-line via Transporter's web site. Shipper acknowledges that any on-line award communicated by Transporter to Shipper via Transporter's web site shall constitute a binding agreement between Transporter and Shipper.

Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement or in a service agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:

Shipper:

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

ARTICLE IX

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this Agreement, any revisions to Transporter's tariff that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE X

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas-related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

5. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

6. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

7. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

8. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:	
U	

Name:	
Title:	

(Shipper)

Signature: _____

FORM OF TITLE TRANSFER TRACKING NOMINATIONS PROCESSING AGREEMENT

AGREEMENT made this _____ day of _____, ___, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter", and _____, a _____, a _____, hereinafter called "Title Transfer Party."

WHEREAS, Title Transfer Party has requested that Transporter enter into this Agreement, under which Transporter shall accept and process Title Transfer Tracking Nominations ("TTT Noms") from Title Transfer Party, pursuant to and subject to the provisions of Section 13.1(f) of the General Terms and Conditions of Transporter's FERC Gas Tariff.

WITNESSETH: That, in consideration of the mutual covenants herein contained, and subject to the terms and conditions hereof, the parties hereto agree as follows:

ARTICLE I

Scope of Agreement

Title Transfer Party and Transporter acknowledge that this is a Title Transfer Tracking Nominations Processing Agreement entered into pursuant and subject to Section 13.1(f) of the General Terms and Conditions of Transporter's FERC Gas Tariff. Such section, which is incorporated herein by reference, sets forth the rights and obligations of the parties hereto, as supplemented by the terms and conditions of this Agreement.

ARTICLE II

Term

Upon the date of execution by the last of the parties identified on the first page hereof, this Agreement shall be effective, and it shall remain in effect on a month to month basis until terminated by either party by written notice to the other no later than thirty (30) days prior to the beginning of a calendar month.

ARTICLE III

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this Agreement, any revisions to Transporter's tariff that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE IV

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas-related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

5. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

6. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

7. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

8. This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

(Title Transfer Party)

FORM OF SYSTEM LICENSE AGREEMENT

This System License Agreement ("Agreement") is entered into between NATIONAL FUEL GAS SUPPLY CORPORATION ("Transporter") and ______, ("Subscriber"). Transporter and Subscriber are at times referred to herein collectively as the "Parties" and individually as a "Party".

WITNESSETH: That, for and in consideration of the mutual covenants and provisions herein contained and subject to the terms and conditions set forth below, Transporter and Subscriber agree as follows:

WHEREAS, the Transporter uses an electronic information system to communicate with its customers and other third parties and to provide and manage transportation and related services in the normal course of business; and

WHEREAS, Transporter desires to continue to conduct such communication and business activities by use of its electronic system only; and

WHEREAS, Transporter desires to enhance and also to document the manner in which existing subscribers are accessing and using Transporter's electronic information system ("System"); and

WHEREAS, Subscriber, through its duly authorized representatives, desires to begin and/or continue, as applicable, using Transporter's System, in the manner and for the purposes set forth herein, upon the effective date of its tariff, approved to implement the revisions to Transporter's System.

THEREFORE, as of the effective date, which, for current shippers shall be the date the System Administrator tariff provisions become effective, and which for other shippers shall be the date specified by the Parties on the signature page ("Effective Date"), for and in consideration of the mutual benefits to accrue to the Parties hereunder, Subscriber and Transporter agree as follows:

- 1. <u>Term</u>. This Agreement shall become effective as of the Effective Date, and shall remain in force until terminated by either Subscriber or Transporter giving the other not less than ten (10) business days' prior written notice; provided however that termination of this Agreement shall not affect the respective obligations or rights of the Parties arising out of any business transacted through the System prior to termination or arising out of the confidentiality provisions of this Agreement. Termination of this Agreement shall not be construed or interpreted as having the effect of terminating any service or related agreement(s) executed by Subscriber while using the System during the period in which this Agreement was in effect.
- 2. <u>License</u>. Subscriber acknowledges that the System is proprietary to the Transporter, that access is granted for the convenience of the Subscriber, and that Transporter retains all rights of ownership in its System. Nothing contained herein shall be construed to give Subscriber an express or implied license or right in any of Transporter's existing or future copyrights, trademarks, service marks, trade secrets, patents, patent applications or other proprietary rights associated with the System, including the design and architecture thereof. Subscriber shall not reverse engineer, decompile, disassemble or engage in any other acts regarding the source code of the System in its present or any future version. Transporter reserves the right to modify, change, adjust, replace or terminate all or any portion of the System at any time and for any reason.

3. <u>System Business Functions</u>.

- Pursuant to the provisions of this Agreement, and subject to any limitations (a) contained in Transporter's tariff or Standards of Conduct ("SOC") and/or internal business procedures, as applicable, and any applicable modifications to Transporter's tariff from time-to-time, Subscriber shall be given access to the System and allowed to use the System to perform the following business functions, as applicable, to the extent available, and in accordance with this Agreement: (1) obtain information relating to service under Subscriber's existing service agreement(s); (2) submit and/or confirm nominations; (3) designate the notice contacts required under service agreements and/or applicable Tariffs and/or SOC; (4) view, submit and/or download gas volume data; and (5) view and/or download invoices; and (6) agree to agents and assignment of rights to such agents. Such available business functions may change from time to time as specified by Transporter, and any such changes will be communicated by systemwide notice(s) posted on the Transporter's web site. Subscriber and/or its authorized users shall obtain at its cost computer hardware and software necessary to utilize the System (including without limitation, a NAESB-compliant internet browser, Adobe document reader software, and MS Excel software, all as upgraded and/or superseded from time to time). Additionally, Subscriber and/or its authorized users will ensure the lawful installation and maintenance of such software for each computer, smart phone, tablet, or other internet-compatible device from which the System will be accessed.
- (b) Should Subscriber participate in a capacity release program on Transporter, Subscriber can, subject to Transporter's tariff and/or internal business procedures, use the System to post an offer or withdraw an offer to release capacity, place or withdraw bids for released capacity, accept awarded capacity and recall released capacity. In addition, subject to applicable tariff and/or internal business procedures, if capacity is awarded to Subscriber in a temporary capacity release transaction, the System will automatically create a binding agreement with Transporter under terms consistent with such Transporter's current applicable form of service agreement and the terms of such release transaction contained in the applicable capacity release documentation (e.g., offer, bid) related thereto.

4. <u>Access and Security Terms</u>.

(a) Subscriber shall designate one individual and a backup individual as a Security Administrator ("SA") for the purpose of identifying individual user(s) that require access to Transporter's System, and establishing access rights for authorized users on behalf of Subscriber. The initial designation of an SA shall be made in writing and in the form required by Transporter ("SA Request Form"). Subscriber can designate replacement/additional SA(s) from time to time by completing a new SA Request Form. Upon receipt and acceptance of the SA Request Form, Transporter or its designee shall provide Subscriber with necessary user information ("User ID(s)") and perform related setup activities for the indicated SA. Subscriber's SA shall be responsible for requesting System access for new users and updating any individual user's information and system access authority in the System for Subscriber's users, including, but not limited to, any changes in a user's or SA's employment status or role in performing certain activities on behalf of Subscriber. Subscriber's SA shall be required to perform periodic

reviews of the status of a Subscriber's individual users. Subscriber represents and warrants to Transporter that the person(s) who are designated to perform a specific function or activity from time to time will have been duly authorized by Subscriber to perform that activity. In particular, Subscriber understands and agrees that those persons so designated to take actions on Transporter's system, including SAs executing any contracts will have the authorization necessary to enter into such agreements, (such as agency agreements or any other agreements to the extent such capability is provided in the future from time to time) in the System on behalf of Subscriber, and Subscriber acknowledges that any such contracts, agreements or amendments entered into through the System by an SA shall legally bind Subscriber to the terms and conditions thereof. Subscriber also understands and acknowledges that persons designated to submit any offer, bid or recall for capacity on behalf of Subscriber pursuant to Transporter's capacity release program will have the authorization necessary to bind Subscriber to the results of such actions, including the acquisition or release of Subscriber's capacity and the associated additional charges or revised capacity rights created once the subject release transaction has been effectuated.

- (b) Any person permitted by Subscriber to access the System as provided in Section 4(a) above must have, and shall be deemed to have, the legal authority to act on behalf of Subscriber in performing those functions as listed on the menu of the System which may change from time to time. The person or persons executing this Agreement represent and warrant that they have the authority to enter into this Agreement and to authorize the appointment of the SA and other representatives of Subscriber to perform the specified functions. Transporter shall be entitled to rely on Subscriber's request in writing or its SA's designation of any individual user as having been duly authorized by Subscriber to perform the designated function or activity. It shall be Subscriber's responsibility to ensure that only properly designated individuals are granted access to the System. Transporter can act, and shall be fully protected by Subscriber in acting, in reliance upon any acts or things done or performed by subscriber's employees or designated agents on behalf of Subscriber and in respect to all matters conducted through the System.
- (c) Transporter shall not have any responsibility to monitor Subscriber's employees' access to the System or to determine or verify whether each individual using the issued User ID either (i) has the authority to perform the designated function or (ii) is actually the same employee that was issued the User ID. Any use of the System through the use of valid User IDs issued to Subscriber that have not been reported to Transporter as missing or stolen, shall be deemed to be used by Subscriber. Subscriber shall be solely responsible for any and all unauthorized or otherwise improper use of User ID issued to Subscriber including, but not limited to, the use of such User ID and passwords by persons who are no longer under Subscriber's employment or control or no longer have the requisite authorization to conduct business on the System.
- (d) A User ID that remains inactive for ninety days or longer is subject to immediate suspension without notice. Transporter reserves the right to invalidate, immediately and without notice any User ID reasonably believed to have been subject to unauthorized, invalid or improper use or when Transporter has reason to believe that a security breach has occurred. Further, Transporter reserves the right

to invalidate immediately and without prior notice any User ID or password in the event Subscriber breaches any of the terms of this Agreement.

- 5. Confidentiality. Subscriber shall treat all User IDs and passwords as confidential and allow use of such User IDs only by personnel that are designated by Subscriber's SA. Subscriber agrees that it will not disclose such User IDs and passwords and will inform its authorized personnel to keep confidential and not disclose any of the User IDs and passwords assigned to Subscriber to anyone without authority to access or conduct business on the System. Subscriber agrees to report to Transporter as soon as possible if it has reason to believe that a User ID has been misappropriated or stolen either directly or indirectly through the misappropriation ("hacking") of data on Subscriber's systems or if there is any indication that a security breach has occurred. Subscriber agrees to access data only for which it has authorization. Subscriber will notify Transporter in the event it is able to access through the System a third party's proprietary information or data not related to business transactions conducted by Subscriber. Subscriber shall also treat all information concerning the design or structure of the System as confidential, except as provided herein, and shall use reasonable efforts to prevent any unauthorized use of the System or the disclosure of any information relating to the design or structure of the System to any third party, whether such information is in the form of abstracts, printouts, computer generated data aggregations or files, or otherwise. Confidential information shall not include information that is: (1) public at the time of disclosure to Subscriber; (2) in Subscriber's possession at the time of disclosure through means which were not in violation of any obligation of confidentiality; (3) disclosed to Subscriber by a third party not under an obligation of confidentiality; or (4) required to be disclosed by Subscriber pursuant to applicable law, rule or regulation. Subscriber shall give Transporter written notice within three (3) business days of Subscriber's discovery of any event which reasonably suggests that the confidential relationship described herein has been violated by Subscriber. If Subscriber fails to maintain the confidentiality as specified herein, Transporter retains the right, in addition to any other remedy that it may have, to immediately terminate this Agreement without prior notification. Subscriber's obligations under this section shall survive the termination of this Agreement.
- 6. <u>Limited Warranty</u>.
 - (a) Transporter will make reasonable efforts to ensure that the information accessible through the System is accurate and complete and to minimize any system downtime. However, Transporter does not warrant that any information accessible or transmitted through the System is, in fact, accurate, complete or without error. Subscriber acknowledges that, as with any electronic system, the System is subject to interruptions, failures and data corruption and that downtime may be necessary for repair, modification, upgrades or maintenance on the System. Therefore, Subscriber acknowledges that Transporter shall not be responsible for any data additions, omissions, failures, delays or interruption of the System.
 - (b) TRANSPORTER MAKES NO WARRANTY, EITHER EXPRESS OR IMPLIED, REGARDING THE OPERATION, PERFORMANCE OR USE OF ITS ELECTRONIC INFORMATION SYSTEM.

7. <u>Disclaimer of Liability</u>.

- Except for the negligence, bad faith, fraud or willful misconduct of Transporter, (a) Transporter expressly disclaims any and all liability for loss or damage to Subscriber or to any third parties associated with Subscriber's actions on or use of the System, including but not limited to any loss or damage resulting from any one or more of the following: (i) Subscriber's negligent or otherwise improper use of the System; (ii) any unauthorized use of the System; (iii) the loss or disclosure, whether deliberate or inadvertent, of any User ID or password provided to Subscriber under the terms herein; (iv) any events of force majeure as specified under the terms of Transporter's Tariff or SOC, but also specifically including, electrical shortages or surges and/or power outages; (v) the performance of any third-party software or systems, third-party service providers, or Subscriber's internal networks, including the compatibility of the System therewith; (vi) an error in the entry of security or access data by Subscriber's SA; and (vii) any defects in computer hardware or equipment, interruption or failure of computer equipment, or other technical matters beyond Transporter's control.
- (b) Subscriber agrees to defend, indemnify and hold Transporter harmless for all claims, demands, and causes of action, and any resulting damages, losses, costs and expenses (including reasonable attorneys' fees and court costs) and all other liabilities of any nature whatsoever which may be asserted against or imposed upon Transporter by any entity arising from Subscriber's use of the System, whether or not such use was proper or improper, or a breach of this Agreement by Subscriber. However, Subscriber shall not be obligated to defend or indemnify Transporter for the negligence, bad faith, fraud or willful misconduct of such party. If Subscriber is a municipality or other state instrumentality, this Section 7(b) shall not apply to the extent it is contrary to the laws of the state in which the municipality or other state instrumentality is located.
- (c) NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES ARISING FROM OR AS A RESULT OF THE USE OR THE INABILITY TO USE THE SYSTEM. IN PARTICULAR, AND WITHOUT INTENT TO LIMIT THE FOREGOING, TRANSPORTER IS NOT RESPONSIBLE FOR LOST PROFITS OR REVENUES, DAMAGE TO COMPUTER HARDWARE OR SOFTWARE, LOSS OF DATA, OR CLAIMS OF SUBSCRIBER OR THIRD PARTIES ARISING OUT OF SUBSCRIBER'S USE OF THE SYSTEM.
- 8. <u>Validity and Enforceability of Agreements and Notices</u>. This Agreement has been executed by the Parties to evidence their mutual intent to exchange information and conduct business by use of the System, including the creation of binding agency agreements and/or such other agreements to the extent such agreement capability is provided by Transporter in the future and any related agreements, amendments, and obligations arising thereunder and otherwise related thereto. Any contractual commitment executed on the System by an SA shall be deemed for all purposes to have been "signed" and to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business. The Parties agree not to contest the validity or enforceability of any such contractual commitments under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the Party to be

bound thereby. Any contractual commitment entered into by the Parties through the System may be introduced as documentary evidence in any judicial, arbitration, mediation or administrative proceedings, and will be admissible as between the Parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall contest the admissibility of copies of any contractual commitment entered into by the Parties through the System under either the business records exception to the hearsay rule or the best evidence rule on the basis that the contractual commitments were not originated or maintained in documentary form. To the extent Subscriber and Transporter utilize the System to transmit and receive notices consistent with the terms of the respective tariff, SOCs, and service agreements of Transporter, then such notice obligations shall be deemed to be satisfied and shall constitute valid notice by the Party giving such notice. Subscriber is responsible for maintaining and updating the email addresses of those individual users that Subscriber elects to receive electronic notices under the terms of Transporter's tariff and SOCs and for ensuring that its personnel responsible for receiving electronic notices take all necessary steps to ensure that any notices received through e-mail messages are promptly opened and read.

9. Miscellaneous

- a.) No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.
- b.) Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.
- c.) This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.
- d.) The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.
- e.) No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

f.) THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

- g.) This Agreement and any amendments thereto may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. The Parties agree that a facsimile, email or other electronic version of the Agreement, when properly executed, shall be considered for all purposes an original document, and a signed and binding Agreement.
- h.) To the extent not inconsistent with the terms and conditions of this Agreement, any revisions to Transporter's tariff that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

The Parties hereto have caused this Agreement to be signed by their respective representatives thereunto duly authorized on this _____ day of ______, 20____.

SUBSCRIBER:

Company Name: _____

By: ___

(Please sign)

Name: _____

(Please print)

Title: _____

(Must be an officer or authorized agent)

TRANSPORTER:

NATIONAL FUEL GAS SUPPLY CORPORATION

By: _____

(Please sign)

Name: ______(Please print)

Title: ___

(Must be an officer or authorized agent)

[Signature Page to System License Agreement]

PART 10 - NON-CONFORMING AND OTHER FILED AGREEMENTS

Schedule	Name of Shipper	Type of Agreement
Schedule No. 10.010	Beacon Landfill Gas Holdings, LLC	FT Service Agreement #F11547
Schedule No. 10.020	Beacon Landfill Gas Holdings, LLC and The Bank of New York Mellon	Consent to Assignment and Agreement Amendment No. 1 Amendment No. 2
Schedule No. 10.030	EnergyMark, LLC	EFT Service Agreement #E12367
Schedule No. 10.040	EnergyMark, LLC	EFT Service Agreement #E12368
Schedule No. 10.050	EnergyMark, LLC	EFT Service Agreement #E12369
Schedule No. 10.060	EnergyMark, LLC	EFT Service Agreement #E12370
Schedule No. 10.070	EnergyMark, LLC	EFT Service Agreement #E12371
Schedule No. 10.080	EnergyMark, LLC	EFT Service Agreement #E12372
Schedule No. 10.090	EnergyMark, LLC	EFT Service Agreement #E12373
Schedule No. 10.100	Reserved for Future Use	Reserved for Future Use
Schedule No. 10.110	Transcontinental Gas Pipe Line Company, LLC	Amendment III to SS-1 Service Agreement #P01517
Schedule No. 10.120	Spotlight Energy, LLC	Amendment III to FSS Service Agreement #O12591
Schedule No. 10.130	Spotlight Energy, LLC	Amendment IV to FST Service Agreement #N12592

SERVICE AGREEMENT #F11547 (FT Service)

AGREEMENT made this <u>26th</u> day of <u>January</u>, 20<u>11</u>, by and between **NATIONAL FUEL GAS SUPPLY CORPORATION**, a Pennsylvania corporation, hereinafter called "Transporter" and **BEACON LANDFILL GAS HOLDINGS LLC**, a Delaware limited liability company, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Beginning on the date on which deliveries of gas are commenced hereunder and thereafter for the remaining term of this Agreement, and subject to the provisions of Transporter's FT Rate Schedule, Transporter agrees to receive for Shipper's account for transportation up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of (see Exhibit A)

Transporter agrees to deliver for Shipper's account and Shipper agrees to accept delivery of the above quantities, provided, however, that Transporter will retain from the above quantities the applicable Fuel and Company Use retention and the applicable Transportation LAUF retention.

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule FT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

See Exhibit A

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the MDTQ applicable to each point of receipt, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account and the MDTQ applicable to each point of delivery shall be: See Exhibit A.

For purposes of Section 2.8 of the FT Rate Schedule, Shipper's transportation path and the eligible receipt and delivery points along such path are as follows: See Exhibit A.

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation By Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule FT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered or certified mail to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Interstate Marketing 6363 Main Street Williamsville, New York 14221
Shipper: Beaco	n Landfill Gas Holdings LLC 7913 West Park Drive, Suite 101 McLean Virginia 22102 Attn: James Schretter
	EnXco, Inc. 15445 Innovation Drive San Diego, California 92128

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

Attn: EVP, Asset Management

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

10. The credit-related provisions of the Precedent Agreement between the Parties dated November 22, 2010, specifically paragraphs 7(a), 7(b), 7(c), and 7(d) thereof, are hereby incorporated by reference.

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION

(Transporter)

Signature: /s/ Ronald Kraemer

Name: Ronald Kraemer

Title: Vice President

BEACON LANDFILL GAS HOLDINGS LLC (Shipper)

Signature: /s/ Deborah L. Gronvold

Name: Deborah L. Gronvold

Title: EVP, Implementation and Generation

EXHIBIT A – Page 1 To FT Service Agreement #F11547 between National Fuel Gas Supply Corporation ("Transporter") and Beacon Landfill Gas Holdings LLC ("Shipper")

This Agreement shall be effective upon the date hereof. Service hereunder shall commence the later of September 1, 2011 or the date on which Project Facilities (as defined in the Precedent Agreement between Transporter and Shipper dated November 22, 2010) are placed into service (the "Commencement Date") and continue in effect for a primary term ending on the Sixteenth year and One month anniversary of the Commencement Date, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon twelve (12) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof.

Point(s) of Receipt

Point

<u>MDTQ</u>

6,800 Dth / Day

The interconnection between Transporter and the tap at Imperial Landfill at Imperial, Pennsylvania (point (IMPFROM).

Point(s) of Delivery

Point

MDTQ

6,800 Dth / Day

Pressure

Pressure

The interconnection between Transporter and Texas Eastern Transmission, LP at Holbrook.

Transportation Path

There are no other valid segmentation points.

* Subject to reduction to reflect the Fuel and Company Use retention and the Transportation LAUF retention.

EXHIBIT A – Page 2 To FT Service Agreement #F11547 between National Fuel Gas Supply Corporation ("Transporter") and Beacon Landfill Gas Holdings LLC ("Shipper")

This Agreement shall be effective upon the date hereof. Service hereunder shall commence the later of September 1, 2011 or the date on which Project Facilities (as defined in the Precedent Agreement between Transporter and Shipper dated November 22, 2010) are placed into service (the "Commencement Date") and continue in effect for a primary term ending on the Twenty First year and One month anniversary of the Commencement Date, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon twelve (12) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof.

Point(s) of Receipt

Point

<u>MDTQ</u>

The interconnection between Transporter and the tap at Imperial Landfill at Imperial, Pennsylvania (point (IMPFROM). 3,200 Dth / Day

Point(s) of Delivery

<u>Point</u>

<u>MDTQ</u>

3,200 Dth / Day

Pressure

Pressure

The interconnection between Transporter and Texas Eastern Transmission, LP at Holbrook.

Transportation Path

There are no other valid segmentation points.

* Subject to reduction to reflect the Fuel and Company Use retention and the Transportation LAUF retention.

CONSENT TO ASSIGNMENT AND AGREEMENT

This Consent to Assignment and Agreement (this "Consent") is made and entered into as of this 12th day of <u>June</u>, 2006 by and among National Fuel Gas Supply Corporation ("Contracting Party"), Beacon Landfill Gas Holdings LLC (the "Company") and JPMorgan Chase Bank, N.A., not in its individual capacity but solely as trustee (together with any successor trustee thereunder, the "Trustee") under the Indenture of Trust and Security Agreement dated as of June 12, 2006 among the Trustee, the Company, Greentree Landfill Gas Company, LLC ("Greentree") and Imperial Landfill Gas Company, LLC ("Imperial" and together with the Company and Greentree, the "Issuers"), as amended, supplemented or restated from time to time (the "Security Agreement").

WHEREAS, the Company has informed the Contracting Party that the Issuers have entered into or are about to enter into agreements (the "Note Purchase Agreements") to issue senior secured notes and subordinated secured notes (the "Notes") to the purchasers thereof and their transferees, successors and assigns (collectively, the "Purchasers"); and

WHEREAS, the Contracting Party and the Company are parties to that certain Master Agreement dated as of <u>June</u> 12, 2006 (the "Master Agreement"), pursuant to which the Company and the Contracting Party have agreed, subject to the Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party, to enter into contractual arrangements for the transportation of natural gas to and from landfill gas extraction, refinement and transmission facilities owned by Greentree in Kersey, Pennsylvania (the "Greentree Project") and owned by Imperial in Imperial, Pennsylvania (the "Imperial Project" and together with the Greentree Project, the "Projects") and for the design, construction and operation of all interconnection facilities required for such transport, and the issuance of the Notes will enable the Company to meet the Contracting Party's financial responsibility requirements;

WHEREAS, the Master Agreement contemplates that, following Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party, the Contracting Party and the Company will enter into that certain Facilities Construction Agreement (the "Facilities Construction Agreement"), that certain Interconnection Agreement for the Greentree Project (the "Greentree Interconnection Agreement"), and that certain Interconnection Agreement for the Imperial Project (the "Imperial Interconnection Agreement") pursuant to which the Contracting Party will design, construct and operate interconnection facilities for both the receipt and delivery of natural gas at the points of interconnection between each of the Projects and the Contracting Party's interstate pipeline designated therein (collectively, the "Interconnection Facilities");

WHEREAS, the Master Agreement contemplates that, following Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party, the Contracting Party and the Company will enter into that certain Service Agreement #F10891 (FT Service), as amended by that certain Amendment I to FT Service Agreement #F10891 (the "Lamont to Greentree Agreement"), that certain Service Agreement #F10892 (FT Service) (the "Greentree to Rose Lake Agreement"), and that certain Service Agreement #F10907 (FT Service), as amended by that certain Amendment I to FT Service Agreement #F10907 (the "Greentree to Leidy Agreement" and together with the Lamont to Greentree Agreement and the Greentree to Rose Lake Agreement, the "Greentree Service Agreements"), pursuant to which the Contracting Party will transport natural gas to and from receipt and delivery points associated with the Greentree Project pursuant to the terms of Contracting Party's Federal Energy Regulatory Commission ("FERC") Gas Tariff, Fourth Revised Volume No. 1 (the "NFG Tariff");

WHEREAS, the Master Agreement contemplates that, following Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party, the Contracting Party and the

Company will enter into that certain Service Agreement #F10890 (FT Service), as amended by that certain Amendment I to FT Service Agreement #F10890 (the "Bristoria to Imperial Agreement"), that certain Service Agreement #F10905 (FT Service) (the "Imperial to Rose Lake Agreement"), and that certain Service Agreement #F10906 (FT Service), as amended by that certain Amendment I to FT Service Agreement #F10906 (the "Imperial to Leidy Agreement" and together with the Bristoria to Imperial Agreement and the Imperial to Rose Lake Agreement, the "Imperial Service Agreements"), pursuant to which the Contracting Party will transport natural gas to and from receipt and delivery points associated with the Imperial Project pursuant to the terms of the NFG Tariff;

WHEREAS, Occidental Energy Marketing Inc. ("Occidental") and the Contracting Party are parties to that certain Service Agreement #F10309 (FT Service) dated February 17, 2003 for the transportation of gas from the receipt point designated as Rose Lake to a delivery point designated as Leidy, and as amended effective November 1, 2005 to provide for the transportation of gas from the alternate receipt points designated as Mercer and Lamont to a delivery point designated as Leidy on the Contracting Party's interstate natural gas transportation system through March 31, 2008 ("Occidental and NFG Agreement"), and Occidental has undertaken to transfer its rights and obligations under the Occidental and NFG Agreement (the "Occidental Rights") to the Company pursuant to that certain Agreement for Prearranged Permanent Release of Natural Gas Transportation Rights at Maximum Interstate Pipeline Tariff Rates dated as of August 5, 2005 ("Occidental and Beacon Release Agreement"), which Occidental and Beacon Release Agreement provides for the permanent release of the Occidental Rights to Company at the maximum tariff rate applicable thereto;

WHEREAS, the Master Agreement contemplates that, following Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party and no later than September 15, 2006, the Company and the Contracting Party will enter into an agreement to convert the Occidental Rights into two ten-year firm transportation <u>agreements</u> with the Contracting Party at the maximum tariff rate for such service (the "Lamont to Leidy Agreement" and the "Mercer to Leidy Agreement") (which such <u>Agreements shall be designated FT Service Agreements #F10907 and #F10906, respectively</u>), pursuant to which the Contracting Party will transport natural gas from the receipt point designated as Lamont to the delivery point designated as Leidy and from the receipt point designated as Mercer to the delivery point designated as Leidy and from the receipt point designated as Mercer to the delivery point designated as Leidy and from the receipt point designated as Mercer to the delivery point designated as Leidy and from the receipt point designated as Mercer to the delivery point designated as Leidy on the Contracting Party's interstate natural gas transportation system pursuant to the terms of the NFG Tariff (the Master Agreement, the Facilities Construction Agreement, the Interconnection Agreement, the Occidental and Beacon Release Agreement, the Lamont to Leidy Agreement and the Mercer to Leidy Agreement, are each referred to herein as a "Project Agreement" and collectively as the "Project Agreements"); and

WHEREAS, as security for the Company's obligations under the Note Purchase Agreements, the Notes, the Security Agreement and the documents and agreements related thereto (the "Obligations"), the Company will assign all of its right, title and interest in, to and under all of its assets, including without limitation all of its right, title and interest under the Project Agreements, to the Trustee pursuant to the Security Agreement;

NOW, THEREFORE, the Contracting Party, the Trustee and the Company agree as follows:

1. The Contracting Party hereby acknowledges notice of and consents to the pledge and assignment by the Company to the Trustee of all right, title and interest of the Company, in to and under (but not its obligations, liabilities or duties with respect to) the Project Agreements as collateral security for the Obligations, subject to Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party as provided in Section 2(d) below.

2. The Contracting Party represents and warrants as follows:

(a) The Contracting Party is duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania. The Contracting Party has the power to deliver and perform this Consent and the Project Agreements.

(b) This Consent and the Master Agreement have been duly authorized, executed and delivered by the Contracting Party, are in full force and effect and are legal, valid and binding obligations of the Contracting Party enforceable in accordance with their terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, debt adjustment, moratorium or other similar laws affecting creditors' rights generally. The Master Agreement obligates the Contracting Party, after the <u>Contracting Party's acquisition of such regulatory authorization as is necessary for Contracting Party as specified in the Master Agreement, to enter into the-Project Agreements other than the Lamont to Leidy Agreement and the Mercer to Leidy Agreement by not later than September 15, 2006 (subject to satisfaction of the conditions specified in the Master Agreement).</u>

(c) The Contracting Party affirms that, other than the pledge and assignment of the Project Agreements to the Trustee described in the Recitals hereof, it has no notice of any assignment relative to the right, title and interest of the Company in, to and under the Project Agreements.

(d) This Consent is subject to receipt of acceptance by the FERC in the manner described in Section 2(b), and the Contracting Party has filed or will file this Consent and any related documents with the FERC in accordance with the appropriate regulations and has no actual knowledge of any fact or circumstance that would prevent this Consent from being accepted by the FERC. Other than the foregoing, no consent, order, authorization, waiver or approval by any person, board, or body, public or private, is required to be obtained by the Contracting Party in connection with the execution and delivery of this Consent and the Project Agreements or the Contracting Party's performance of its obligations hereunder and thereunder, except (i) as listed in Exhibit B hereto, or (ii) those consents, approvals, notices or filings that are customarily obtained or made subsequent to the execution and delivery of a Project Agreement and those consents, approvals, notices or filings that can only be obtained or made at the time performance is to be rendered or remedies are to be exercised under a Project Agreement or this Consent.

(e) To the best of the Contracting Party's knowledge, there is not now, any event or condition (a "Termination Event") which would, either immediately or with the passage of time or giving of notice, or both, constitute a default under the Project Agreements which would enable the Contracting Party or the Company to terminate or suspend its obligations under the Project Agreements and, to the knowledge of the Contracting Party, there are no claims or rights of set-off pending by any party to the Project Agreements.

(f) The description of the Project Agreements in the Recitals is true and complete in all respects, and (i) there are no assignments by the Contracting Party of the Project Agreements nor any further amendments, modifications or supplements to the Project Agreements, either oral or written, other than as described in the Recitals, and (ii) the Contracting Party will not amend, modify or supplement the Project Agreements prior to executing them.

(g) There are no proceedings pending or, to the best of the Contracting Party's knowledge, threatened against or affecting the Contracting Party in any court or before any governmental authority or arbitration board or tribunal which may result in a material adverse effect upon the ability of the Contracting Party to perform its obligations under this Consent and the Project Agreements.

3. The Company hereby instructs the Contracting Party to make, and the Contracting Party agrees to make, payments of any kind under the Project Agreements, by wire transfer, directly to:

JPMorgan Chase Bank, N.A. ABA #021-000-021 Account Number: 507947533 Account Name: Incoming Wire – Project Finance Ref: Beacon Revenue Account 10226713.2

or such other person or account as may be specified in writing from time to time by the Trustee to the Contracting Party (with a copy to the Company), until the Trustee instructs the Contracting Party otherwise in writing. Any and all payments made by the Contracting Party pursuant to this Section 3, and any performance by the Contracting Party of its other agreements under the Project Agreements at the request of the Trustee pursuant to this Consent, shall fully satisfy and discharge the Contracting Party's obligations to make such payments to, or perform such agreements at the request of, the Company pursuant to the Project Agreements. For so long as this Consent is in effect or until such earlier time as the Contracting Party has received written notice from the Trustee to the contrary, the Contracting Party shall not be required to make any payments to any other party. The Company will hold any amounts payable to it under the Project Agreements that it receives in trust for the benefit of the Trustee and shall cause any such amounts to be remitted to the Trustee promptly upon the Company's receipt thereof. The Contracting Party shall have no liability for the Company's failure to perform its obligation under this section.

4. (a) The Contracting Party shall not be obligated to perform under any of the Project Agreements for the Trustee or for any person claiming by, under or through the Trustee unless and until the Contracting Party has received: (i) a written demand from the Trustee for such performance; (ii) a written agreement from the Trustee, or a successor or assign (as "successor" and "assign" are defined in Section 6 below) thereof (in substantially the form attached hereto as Exhibit A) to assume any and all obligations of the Company under the applicable Project Agreement(s) arising on or after the date of the written demand described in clause (i) of this Section 4(a); and (iii) the financial assurances, performance undertakings and service request forms that are generally required of "Shippers" or "Operators" (as such terms are defined in the NFG Tariff) under the NFG Tariff.

(b) Neither the Trustee nor the Purchasers shall have any obligation to the Contracting Party for the performance of any obligations under the Project Agreements unless and until the Trustee shall have notified the Contracting Party, as provided in Section 4(a) above, that it intends to assume or cause the assumption of the obligations imposed upon the Company by such Project Agreement(s) and receive the benefits thereunder.

(c) In the event that the Trustee, or its successor or assign, succeeds to the interest of the Company under the Project Agreements by reason of the exercise of rights under the Security Agreement in accordance with Section 4(a) above, the Contracting Party agrees that it will accept performance by the Trustee or its successors or assigns of the obligations of the Company under and in accordance with the Project Agreements notwithstanding any restrictions set forth in the Project Agreements or the NFG Tariff on the assignability of the Company's rights, and will not require the release of capacity to the Trustee or its successors or assigns to be posted for bidding under the capacity release provisions of the NFG Tariff; provided, however, that subject to the terms of this Consent, no such performance by the Trustee or its successors or assigns will operate to prejudice the Contracting Party's rights, including but not limited to, the Contracting Party's rights to require the establishment of the continued creditworthiness of the Trustee or its successors or assigns and to terminate the Project Agreements if the Trustee or its successors or assigns elects

not to cure any breach of this requirement or any other default under the Project Agreement or the other provisions of this Consent.

5. (a) If a default under or breach of any of the Project Agreements by the Company or a Termination Event under any of the Project Agreements shall occur, and the Contracting Party shall desire to exercise its remedies under the relevant Project Agreement, the Contracting Party will provide to the Trustee, at the address set forth in Section 7 below (as such address may be changed from time to time in accordance with Section 7 below), a copy of any notice of default or any Termination Event provided to the Company under the terms of any Project Agreement simultaneously with its provision to the Company.

(b) For purposes of this Consent, the Trustee's "Cure Period" shall mean the same time period in which the Company is entitled to cure or remedy any default under or breach of any of the Project Agreements as set forth in the relevant Project Agreement. The Trustee shall be entitled to cure or remedy, or cause to be cured or remedied, any default under or breach of any of the Project Agreements by the Company, or any Termination Event under any of the Project Agreements, to the same extent, under the same terms and conditions as the Company is entitled to cure or remedy, or cause to be cured or remedied, any default under or breach of any of the Project Agreements, to the same extent, under the same terms and conditions as the Company is entitled to cure or remedy, or cause to be cured or remedied, any default under or breach of any of the Project Agreements during the Cure Period under the relevant Project Agreement. The Trustee's Cure Period relating to any such default or breach shall commence on the date on which the Contracting Party delivers such notice to the address and in the manner specified in Section 7 below.

(c) Subject to Section 4(c) and Section 13, the Contracting Party agrees that it will not terminate service, nor otherwise exercise any remedies (other than the temporary suspension of receipts of gas not meeting the applicable quality standards under the NFG Tariff), under the Project Agreements without first giving the Trustee the notice specified in Section 7 and opportunity to cure within the <u>relevant</u> Cure Period under the applicable Project Agreement in accordance with Section 5(b).

(d) Any curing of any default, breach or Termination Event under the Project Agreements shall not be construed as an assumption by the Trustee or the Purchasers of any obligations, covenants or agreements of the Company under the Project Agreements unless expressly so assumed in accordance with Section 4 of this Consent. Nothing set forth herein shall be deemed to create any obligation of the Trustee or any of the Purchasers to cure any default, breach or Termination Event.

(e) In no event shall any of the above provisions limit the ability of the Trustee or any of the Purchasers from curing any default, breach or Termination Event relating to the Company's insolvency, bankruptcy, receivership, liquidation, reorganization or other similar case or proceeding, whether voluntary or involuntary.

(f) Nothing in this Consent shall prohibit the Contracting Party from taking any action to cancel, terminate or suspend any Project Agreement if there is a default or breach that has not been cured within the Cure Period under the relevant Project Agreement.

6. If the Trustee has assumed or caused to be assumed the obligations of the Company pursuant to Section 4 of this Consent, or if the Trustee, in the exercise of its remedies against the Company, desires to cause the interest of the Company to be transferred directly to a third party (a "successor" or "assign" for purposes of this Consent), the Contracting Party hereby consents to such assignment of the Project Agreements, provided that by the effective date of such assignment: (a) the third party successor or assign shall have agreed in writing in substantially the form of Exhibit A hereto to assume the obligations of the Company and/or the Trustee under the Project Agreements arising on or after the effective date of such assignment; (b) the third party successor or assign shall have provided to the Contracting Party and shall thereafter maintain and keep current such financial assurances, performance undertakings and other

information as may be required of Shippers or Operators generally under the NFG Tariff and shall otherwise have satisfied all requirements applicable to Shippers or Operators under the NFG Tariff (other than any requirement that the release of capacity to such third party successor or assign be posted for bidding under the capacity release provisions of the NFG Tariff); and (c) if prior to such assignment the Trustee shall have assumed the obligations of the Company under the Project Agreements pursuant to Section 4 of this Consent, the Trustee shall not be in default in the timely performance of any of such obligations, <u>provided</u>, <u>however</u>, it is understood and acknowledged that no such assignment or transfer shall serve to extend the Cure Period under the relevant Project Agreement in the event that Contracting Party has issued a notice of default under Sections 5(a) and 7 hereof. Such third party successor or assign shall not further assign its interests in any Project Agreement except in accordance with the terms of the Project Agreements and the NFG Tariff.

7. The Contracting Party will provide the Trustee with a copy of each filing with the FERC related to the Project Agreements and each notice or other correspondence provided to the Company at the same time as such filing, notice or other correspondence with the FERC is provided to the Company. Any written notice or communication required to be sent hereunder (including a notice of default, breach or Termination Event) to any party hereto shall be deemed to be delivered on the earlier of (a) the date of personal delivery, (b) if deposited in a United States Postal Service depository, postage prepaid, registered or certified mail, return receipt requested, addressed to such party at the address indicated below (or at such other address as such party may have heretofore specified by written notice delivered in accordance herewith), upon delivery or refusal to accept delivery, in each case as evidenced by the return receipt, or (c) if delivered by a reputable national overnight courier service, postage prepaid, upon delivery or refusal to accept delivery records, at the following address:

to the Contracting Party:	National Fuel Gas Supply Corporation 6363 Main Street Williamsville, New York 14221
to the Company:	Beacon Landfill Gas Holdings LLC 7913 Westpark Drive, Suite 101 McLean, Virginia 22102
to the Trustee:	JPMorgan Chase Bank, N.A. 4 New York Plaza, 15th Floor New York, New York 10004 Attention: Worldwide Securities Services

8. Nothing herein shall constitute a modification, amendment or change of any type to the Project Agreements or a modification, restriction or limitation of any of the Contracting Party's rights under the Project Agreements.

9. In the event that any of the Project Agreements is rejected under 11 U.S.C. Section 365, or successor legislation, and (a) no amounts payable thereunder shall be due and payable to the Contracting Party at the time of such rejection, (b) the Trustee shall have arranged for the curing of any default under such Project Agreement(s), and (c) such Project Agreement(s) shall have been terminated pursuant to the terms thereof by reason of the rejection by the Company or a trustee in bankruptcy under 11 U.S.C. Section 365, or successor legislation, then the applicable Contracting Party shall, if requested by the Trustee within thirty (30) days after such rejection, execute and deliver a new Project Agreement(s), which shall be in compliance with the NFG Tariff, to be in effect for the remainder of the term of the original Project Agreement(s) so terminated and with substantially the same terms as those contained therein.

10. No termination, amendment or waiver of any provisions of this Consent shall be effective unless the same shall be in writing and signed by the Trustee and the Contracting Party and, if prior to a Termination Event or the taking of possession of the Projects by the Trustee, consented to by the Company, and then such waiver or consent shall be effective only in the specific instance and for the specific purposes for which it is given.

11. The Contracting Party agrees that the Company shall be considered a pre-qualified bidder under Section 10.4(a) of the NFG Tariff upon the Company satisfying the credit requirements listed in Section 31 of the NFG Tariff, and the Contracting Party confirms that such credit requirements are the only credit requirements that the Company must satisfy in order for the Company to obtain the Occidental Rights. The Contracting Party further agrees that, subject to Occidental's and Beacon's compliance with the capacity release requirements of the NFG Tariff as to all of the Occidental Rights, Company will qualify as the "Replacement Shipper" as that term is defined in Section 10.6 of the NFG Tariff as to the Occidental Rights. The Contracting Party acknowledges that, assuming the accuracy of the Company's representation that the release contemplated by the Occidental and Beacon Release Agreement will be at the maximum applicable tariff rate and be a permanent release for the entire remaining term of the Occidental Rights need not be posted for bidding under the capacity release provisions of the NFG Tariff, but in all respects will be posted in accordance with <u>applicable FERC regulations, and that such release will qualify as a permanent release within the meaning of the NFG Tariff.</u>

12. Until the Trustee notifies the Contracting Party in writing that the security interests created by the Security Agreement have been terminated and released, the Contracting Party will not (a) without the prior written consent of the Trustee, terminate any of its rights or obligations under the Project Agreements (such consent not to be unreasonably withheld), or (b) assign or otherwise transfer any of its rights or obligations under the Project Agreements, provided, however, that it is acknowledged and agreed that the Contracting Party may cancel, terminate and/or suspend performance of its obligations under any Project Agreement without the consent of the Trustee or any successor or assign, if the Trustee or its successors or assigns elect not to cure any breach or default, or do not cure any breach or default, under the Project Agreements within the Cure Period specified under the applicable Project Agreement; or the Trustee or its successor or assign sells, assigns or otherwise transfer any part of its interest in this Consent or any Project Agreement except as expressly permitted by this Consent or otherwise breaches any of the terms of this Consent.

13. In case any provision in or obligation under this Consent shall be invalid, illegal or unenforceable in any jurisdiction (including, without limitation, any rule or regulation promulgated by the FERC), such provision or obligation shall be deemed to be null and void; provided, however, that the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby, except as may be required by FERC regulation or order.

14. The Parties hereto hereby agree to execute and deliver all such instruments and take all such action as may be necessary to effectuate fully the purposes of this Consent.

15. This Consent may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A facsimile of any party's signature shall have the same force and effect as the original of such signature.

16. This Consent shall be governed by and be construed in accordance with the laws of the State of New York.

17. It is expressly understood and agreed by the parties hereto that insofar as this Consent is executed by the Trustee: (i) this Consent is executed and delivered by the Trustee, not in its individual capacity but solely as trustee for the Trust created under the Security Agreement, as Trustee in the exercise of the powers and authority conferred and invested in it thereunder, (ii) each of the representations, undertakings and agreements herein made on behalf of the Trust is made and intended not as personal representations, undertakings and agreements by the Trustee but is made and intended for the purposes of binding only the Trust, (iii) nothing herein contained shall be construed as creating any liability on the part of the Trustee, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any Person claiming by, through or under the parties hereto, and (iv) under no circumstances shall the Trustee in its individual capacity be personally liable for the payment of any indebtedness or expenses or be personally liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken under this Consent.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Consent to be duly executed as of the date first above written.

Contracting Party:

National Fuel Gas Supply Corporation

By: <u>/s/ John R. Pustulka</u>

Name: John R. Pustulka Title: Sr. Vice President

Company:

Beacon Landfill Gas Holdings LLC

By: <u>/s/ James Schretter</u> Name: James Schretter Title Vice President

Trustee:

JPMorgan Chase Bank, N.A., not in its individual capacity but solely as Trustee

By: /s/ Alfia Monastra

Name: Alfia Monastra Title Vice President

Exhibit A

(DATE)

Attention: _____

Ladies and Gentlemen:

Reference is hereby made to the Consent to Assignment and Agreement (the "Consent"), dated as of June 12, 2006, among Beacon Landfill Gas Holdings LLC (the "Company"), JPMorgan Chase Bank, N.A., not in its individual capacity but solely as trustee (the "Trustee") under the Indenture of Trust and Security Agreement dated as of June 12, 2006, and National Fuel Gas Supply Corporation (the "Contracting Party"), and the Project Agreements between the Contracting Party and the Company which are referred to therein.

Pursuant to Section 4 of the Consent, the Trustee* hereby assumes as of (insert date on which the Trustee* first demands performance as provided in clause (i) of Section 4(a) of the Consent) any and all obligations of the Company under [the applicable Project Agreement(s)] which shall arise on or after the date of the written demand described in clause (a) of Section 4 of the Consent. The Trustee* hereby agrees that all the terms, rights and obligations of [the applicable Project Agreement(s)] applicable to the Company shall apply to the Trustee* as though the Trustee* were named as the "_____" therein.

JPMorgan Chase Bank, N.A., not in its individual capacity but solely as Trustee*

By: _____

* For purposes of this paragraph, the name of any third party to whom the interests of the Company have been properly transferred pursuant to Section 4 of the Consent may be substituted for the term "Trustee."

EXHIBIT B TO CONSENT TO AGREEMENT AND ASSIGNMENT

GREENTREE PROJECT		
EXISTING FINAL APPROVALS		
Agency/Issuing Entity	Approval Required	Expiration Date
FERC	Blanket Certificate of Public Convenience and Necessity	N/A
Pennsylvania Historical and Museum Commission Bureau for Historic Preservation	Cultural Resources Clearance	N/A
Greentree Landfill Gas Company, LLC	Right-of-way	N/A
PENDING APPROVALS		
Agency/Issuing Entity	Approval Required	Expiration Date
FERC	Authorization of Consent Agreement and related agreements, subject to acceptance by National Fuel Gas Supply Corporation	(Pending)
US Fish and Wildlife Service	Threatened & Endangered Species Clearance	(Renewal Pending)
IMPERIAL PROJECT EXISTING FINAL APPROVALS		
<u>Agency/Issuing Entity</u> FERC	Approval Required Blanket Certificate of Public Convenience and Necessity	Expiration Date N/A
Pennsylvania Historical and Museum Commission Bureau for Historic Preservation	Cultural Resources Clearance	N/A
US Fish and Wildlife Service	Threatened & Endangered Species Clearance	12/02/2006
PENDING APPROVALS		
Agency/Issuing Entity	Approval Required	Expiration Date
FERC	Authorization of Consent Agreement and related agreements, subject to acceptance by National Fuel Gas Supply Corporation	(Pending)
Imperial Landfill Gas Company, LLC	Right-of-way	(Pending)

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

Amendment No. 1 to Consent to Assignment and Agreement

This Amendment No. 1 to Consent to Assignment and Agreement (the "Consent") is made and entered into as of this 5th day of July, 2006 by and among National Fuel Gas Supply Corporation ("Contracting Party"), Beacon Landfill Gas Holdings LLC (the "Company") and JPMorgan Chase Bank, N.A., not in its individual capacity but solely as trustee (the "Trustee") under the Indenture of Trust and Security Agreement dated as of [June 12], 2006 among the Trustee, the Company Greentree Landfill Gas Company, LLC ("Greentree") and Imperial Landfill Gas Company LLC, as amended, supplemented or restated from time to time (the "Security Agreement"). All capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Consent.

WITNESSESTH:

1. The description of the Lamont to Greentree Agreement in the fourth "Whereas" paragraph of the Consent is hereby amended to state that the Contracting Party and the Company have entered into that certain Service Agreement #F10891 (FT Service), as amended by that certain Amendment I to FT Service Agreement #F10891, and as further amended by that certain Amendment II to FT Service Agreement #F10891 (the "Lamont to Greentree Agreement") subject to Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party. The remainder of the paragraph shall remain unchanged.

2. The description of the Bristoria to Imperial Agreement in the fifth "Whereas" paragraph of the Consent is hereby amended to state that the Contracting Party and the Company have entered into that certain Service Agreement #F10890 (FT Service), as amended by that certain Amendment I to FT Service Agreement #F10890, and as further amended by that certain Amendment II to FT Service Agreement #F10890 (the "Bristoria to Imperial Agreement") ") subject to Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party. The remainder of the paragraph shall remain unchanged.

[Signature Page Follows]

IN WITNESS WHEREOF, the Contracting Party, Company and Trustee have caused this Amendment to be duly executed as of the date first above written.

Contracting Party:	National Fuel Gas Supply Corporation
	By: <u>/s/ John R. Pustulka</u> Name: John R. Pustulka Title: Sr. V.P.
Company:	Beacon Landfill Gas Holdings LLC
	By: <u>/s/ James Schretter</u> Name: James Schretter Title: Vice President
Trustee:	JPMorgan Chase Bank, N.A., not in its individual capacity but solely as Trustee

By: /s/ Alfia Monastra Name: Alfia Monastra Title: Vice President

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

AMENDMENT NO. 2 TO CONSENT TO ASSIGNMENT AND AGREEMENT

This Amendment No. 2 to Consent and Assignment (this "Amendment") is dated as of November 22, 2010 by and among National Fuel Gas Supply Corporation ("Contracting Party"), Beacon Landfill Gas Holdings LLC (the "Company") and The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., not in its individual capacity but solely as Trustee (together with any successor trustee thereunder, the "Trustee") under the Indenture of Trust and Security Agreement dated as of June 12, 2006 among the Trustee, the Company, Greentree Landfill Gas Company, LLC and Imperial Landfill Gas Company, LLC, as amended and supplemented by the First Supplemental Indenture of Trust and Security Agreement dated as of November 10, 2006, the Second Supplemental Indenture of Trust and Security Agreement dated as of June 15, 2010 and the Fourth Supplemental Indenture of Trust and Security Agreement dated as of August 9, 2010 (the "Security Agreement"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Consent, as defined below.

WHEREAS, the Contracting Party, the Company and the Trustee, on behalf of the holders of the Notes, are parties to that certain Consent to Assignment and Agreement, dated as of June 12, 2006, as amended by Amendment No. 1 to Consent to Assignment and Agreement, dated as of July 5, 2006 (the "Consent");

WHEREAS, the Company and the Contracting Party are parties to that certain Precedent Agreement, dated as of November 22, 2010 (the "Precedent Agreement") pursuant to which the Contracting Party has agrees, subject to Contracting Party's receipt of FERC authorization in form and substance acceptable to Contracting Party, to install, replace and re-route certain natural gas pipeline facilities (the "Facilities) and, subject to the satisfaction of the conditions specified in the Precedent Agreement, to enter in contractual arrangements for the provisions of natural gas transportation services to the Company using the Facilities under separate Transportation Service Agreements as more specifically described in the Precedent Agreement (each, a "Transportation Service Agreement"); and

WHEREAS, the Company has assigned all of its right, title and interest in, to and under all of its assets, including without limitation all of its right, title and interest under the Precedent Agreement and any and all Transportation Service Agreements, to the Trustee pursuant to the Security Agreement as Security for the Obligations; and

WHEREAS, the Contracting Party, the Trustee and the Company wish to amend the Consent to include as "Project Agreements" thereunder the Precedent Agreement and any and all Transportation Service Agreements entered into pursuant to or in connection with the Precedent Agreement;

NOW, THEREFORE, the Contracting Party, the Trustee and the Company hereby agree as follows:

1. The definitions of "Project Agreement" and "Project Agreements" set forth in the Recitals of the Consent are hereby amended to include the Precedent Agreement and any and all Transportation Service Agreements entered into pursuant to or in connection with the Precedent Agreement.

2. Without limiting the generality of paragraph 1 above, the Contracting Party hereby acknowledges notice of and consents to the pledge and assignment by the Company to the Trustee of all right, title and interest of the Company, in to and under (but not its obligations, liabilities or duties with respect to) the Precedent Agreement and any and all Transportation Service Agreements as collateral security

for the Obligations, subject to Contracting Party's receipt of FERC authorizations in form and substance acceptable to Contracting Party as provided in Section 3 below.

3. The Contracting Party represents and warrants that (a) the Precedent Agreement is in full force and effect and is a legal, valid and binding obligation of the Contracting Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, debt adjustment, moratorium or other similar laws affecting creditors' rights generally and (b) other than the pledge and assignment of the Precedent Agreement and any and all Transportation Service Agreements to the Trustee described in the Recitals hereof, it has no notice of any assignment relative to the right, title and interest of the Company in, to and under the Precedent Agreement and any such Transportation Service Agreements. (c) Notwithstanding anything to the contrary, in no event shall any provisions in the Consent or this Amendment limit the ability of Contracting Part to amend, modify or supplement any and all Transportation Service Agreement to be executed by Contracting Party and Company pursuant to the Precedent Agreement to be executed by Contracting Party and Company pursuant to the Precedent Agreement is subject to receipt of acceptance by the FERC in form and substance acceptable to Contracting Party in accordance with the appropriate regulations.

4. This Amendment may be executed in any number of counterparts and by different parties hereto, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. A facsimile of any party's signature shall have the same force and effect as the original of such signature.

5. Except as specifically amended hereby, all terms and provisions contained in the Consent shall remain unchanged and in full force and effect.

6. This Amendment shall become effective upon execution and shall automatically terminate without liability to Contracting Party and have no force and effect in the event that FERC acceptance as described in Section 3(d) is not obtained.

7. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of law principles.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

Contracting Party:	NATIONAL FUEL GAS SUPPLY CORPORATION
	By: <u>/s/ Ronald Kraemer</u> Name: Ronald Kraemer Title: Vice President
Company:	BEACON LANDFILL GAS HOLDINGS LLC By: enXco LFG Holding, LLC, its Manager
	By: <u>/s/ James Schretter</u> Name: Jim Schretter Title: Vice President
Trustee:	THE BANK OF NEW YORK MELLON, not in its individual capacity but solely as Trustee
	By: Name:

Title:

SERVICE AGREEMENT #E12367 (EFT Service)

AGREEMENT made this _____ day of ______, 20____, by and between **NATIONAL FUEL GAS SUPPLY CORPORATION**, a Pennsylvania corporation, hereinafter called "Transporter" and **ENERGYMARK**, LLC, a New York limited liability company, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's EFT Rate Schedule, Transporter agrees to transport for Shipper's account up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of 5,000 Dekatherms (Dth)

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule EFT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence the later of November 1, 2018 or the date on which the Project Facilities (as defined in the Precedent Agreement between Transporter and Shipper dated ______

_____, 20____) are placed into service ("Commencement Date") and continue in effect for a primary term ending on the Thirty-One Year anniversary of the Commencement Date, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon twelve (12) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

In the event that hydrotesting results and/or pressure recertification along portions of Transporter's Line K system in Cattaraugus County, New York are deemed inadequate by Transporter in its sole discretion, then Transporter may unilaterally terminate this Agreement upon ten (10) days notice to Shipper.

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the receipt entitlements applicable to each point of receipt, or combinations of receipt points, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be: See Exhibit A.

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule EFT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld. 4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Interstate Marketing 6363 Main Street Williamsville, New York 14221
Shipper:	EnergyMark, LLC 6653 Main Street Williamsville, New York 14221 Attn: Gary Marchiori

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:

Name:

Title:

ENERGYMARK, LLC (Shipper)

Signature: _____

EXHIBIT A To EFT Service Agreement #E12367 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

Receipt Entitlements

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	5,040	NFGDC-MSMX
Total Upstream Receipts		5,040	
TOTAL RECEIPT ENTITLEMENTS:		5,040	

Delivery Points

_	Meter Name	Meter Number	Line Designation	Township	County	State
	Nfg Dist. Mineral Springs	NFGDC- MSMX	Line K	West Seneca	Erie	NY

SERVICE AGREEMENT #E12368 (EFT Service)

AGREEMENT made this _____ day of ______, 20____, by and between **NATIONAL FUEL GAS SUPPLY CORPORATION**, a Pennsylvania corporation, hereinafter called "Transporter" and **ENERGYMARK**, LLC, a New York limited liability company, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's EFT Rate Schedule, Transporter agrees to transport for Shipper's account up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of 1,000 Dekatherms (Dth)

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule EFT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence the later of November 1, 2018 or the date on which the Project Facilities (as defined in the Precedent Agreement between Transporter and Shipper dated ______

_____, 20____) are placed into service ("Commencement Date") and continue in effect for a primary term ending on the Thirty-One Year anniversary of the Commencement Date, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon twelve (12) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

In the event that hydrotesting results and/or pressure recertification along portions of Transporter's Line K system in Cattaraugus County, New York are deemed inadequate by Transporter in its sole discretion, then Transporter may unilaterally terminate this Agreement upon ten (10) days notice to Shipper.

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the receipt entitlements applicable to each point of receipt, or combinations of receipt points, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be: See Exhibit A.

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule EFT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld. 4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Interstate Marketing 6363 Main Street Williamsville, New York 14221
Shipper:	EnergyMark, LLC 6653 Main Street Williamsville, New York 14221 Attn: Gary Marchiori

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:

Name:

Title:

ENERGYMARK, LLC (Shipper)

Signature: _____

 Name:

 Title:

EXHIBIT A To EFT Service Agreement #E12368 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

<u>Receipt Entitlements</u>

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	1,008	NFGDC-MSMX
Total Upstream Receipts		1,008	
TOTAL RECEIPT ENTITLEMENTS:		1,008	

Delivery Points

Meter Name	Meter Number	Line Designation	Township	County	State
Nfg Dist. Mineral Springs	NFGDC- MSMX	Line K	West Seneca	Erie	NY

SERVICE AGREEMENT #E12369 (EFT Service)

AGREEMENT made this _____ day of ______, 20____, by and between NATIONAL FUEL GAS SUPPLY CORPORATION, a Pennsylvania corporation, hereinafter called "Transporter" and ENERGYMARK, LLC, a New York limited liability company, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's EFT Rate Schedule, Transporter agrees to transport for Shipper's account up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of 1,000 Dekatherms (Dth)

ARTICLE II

<u>Rate</u>

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule EFT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence the later of November 1, 2018 or the date on which the Project Facilities (as defined in the Precedent Agreement between Transporter and Shipper dated ______

_____, 20___) are placed into service ("Commencement Date") and continue in effect for a primary term ending on the Thirty-One Year anniversary of the Commencement Date, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon twelve (12) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

In the event that hydrotesting results and/or pressure recertification along portions of Transporter's Line K system in Cattaraugus County, New York are deemed inadequate by Transporter in its sole discretion, then Transporter may unilaterally terminate this Agreement upon ten (10) days notice to Shipper.

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the receipt entitlements applicable to each point of receipt, or combinations of receipt points, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be: See Exhibit A.

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule EFT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld. 4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Interstate Marketing 6363 Main Street Williamsville, New York 14221
Shipper:	EnergyMark, LLC 6653 Main Street Williamsville, New York 14221 Attn: Gary Marchiori

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

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The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION

(Transporter)

Signature:

Name:

Title:

ENERGYMARK, LLC (Shipper)

Signature:

Name: _____

Title:

EXHIBIT A To EFT Service Agreement #E12369 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

<u>Receipt Entitlements</u>

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	1,008	NFGDC-MSMX
Total Upstream Receipts		1,008	
TOTAL RECEIPT ENTITLEMENTS:		1,008	

Delivery Points

Meter Name	Meter Number	Line Designation	Township	County	State
Nfg Dist. Mineral Springs	NFGDC- MSMX	Line K	West Seneca	Erie	NY

SERVICE AGREEMENT #E12370 (EFT Service)

AGREEMENT made this _____ day of ______, 20____, by and between **NATIONAL FUEL GAS SUPPLY CORPORATION**, a Pennsylvania corporation, hereinafter called "Transporter" and **ENERGYMARK**, LLC, a New York limited liability company, hereinafter called "Shipper."

WHEREAS, Shipper has requested that Transporter transport natural gas; and

WHEREAS, Transporter has agreed to provide such transportation for Shipper subject to the terms and conditions hereof.

WITNESSETH: That, in consideration of the mutual covenants herein contained, the parties hereto agree that Transporter will transport for Shipper, on a firm basis, and Shipper will furnish, or cause to be furnished, to Transporter natural gas for such transportation during the term hereof, at the prices and on the terms and conditions hereinafter provided.

ARTICLE I

Quantities

Subject to the provisions of Transporter's EFT Rate Schedule, Transporter agrees to transport for Shipper's account up to the following quantities of natural gas:

Contract Maximum Daily Transportation Quantity (MDTQ) of 1,000 Dekatherms (Dth)

ARTICLE II

Rate

Unless otherwise mutually agreed in a written amendment to this Agreement, for the service provided by Transporter hereunder, Shipper shall pay Transporter the maximum rate provided under Rate Schedule EFT set forth in Transporter's effective FERC Gas Tariff.

In the event that Transporter places on file with the Federal Energy Regulatory Commission ("Commission") another rate schedule which may be applicable to transportation service rendered hereunder, then Transporter, at its option, may from and after the effective date of such rate schedule, utilize such rate schedule in performance of this Agreement. Such a rate schedule(s) or superseding rate schedule(s) and any revisions thereof which shall be filed and become effective shall apply to and be a part of this Agreement. Transporter shall have the right to propose, file and make effective with the Commission, or other body having jurisdiction, changes and revisions of any effective rate schedule(s), or to propose, file, and make effective superseding rate schedules, for the purpose of changing the rate, charges, and other provisions thereof effective as to Shipper.

ARTICLE III

Term of Agreement

This Agreement shall be effective upon the date hereof. Service hereunder shall commence the later of November 1, 2018 or the date on which the Project Facilities (as defined in the Precedent Agreement between Transporter and Shipper dated ______

_____, 20____) are placed into service ("Commencement Date") and continue in effect for a primary term ending on the Thirty-One Year anniversary of the Commencement Date, and shall continue in effect thereafter unless and until terminated by either Shipper or Transporter upon twelve (12) months' advance written notice specifying as the termination date the expiration of the primary term or any anniversary thereof. As of the Commencement Date, Transporter will stand ready to provide transportation service for Shipper pursuant to the terms of this Agreement, and Shipper shall be responsible for all charges hereunder, notwithstanding the status of any facilities being constructed by others to provide upstream or downstream transportation of gas to be transported hereunder.

In the event that hydrotesting results and/or pressure recertification along portions of Transporter's Line K system in Cattaraugus County, New York are deemed inadequate by Transporter in its sole discretion, then Transporter may unilaterally terminate this Agreement upon ten (10) days notice to Shipper.

ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the receipt entitlements applicable to each point of receipt, or combinations of receipt points, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be: See Exhibit A.

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule EFT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld. 4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

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The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:

Name:

Title:

ENERGYMARK, LLC (Shipper)

Signature: _____

EXHIBIT A To EFT Service Agreement #E12370 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

Receipt Entitlements

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	1,008	NFGDC-MSMX
Total Upstream Receipts		1,008	
TOTAL RECEIPT ENTITLEMENTS:		1,008	

Delivery Points

_	Meter Name	Meter Number	Line Designation	Township	County	State
	Nfg Dist. Mineral Springs	NFGDC- MSMX	Line K	West Seneca	Erie	NY

SERVICE AGREEMENT #E12371 (EFT Service)

AGREEMENT made this _____ day of ______, 20____, by and between **NATIONAL FUEL GAS SUPPLY CORPORATION**, a Pennsylvania corporation, hereinafter called "Transporter" and **ENERGYMARK**, LLC, a New York limited liability company, hereinafter called "Shipper."

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ARTICLE I

Quantities

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Contract Maximum Daily Transportation Quantity (MDTQ) of 1,000 Dekatherms (Dth)

ARTICLE II

Rate

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ARTICLE III

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Points of Receipt and Delivery

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National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE V

Regulatory Approval

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ARTICLE VI

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NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:

Name:

Title:

ENERGYMARK, LLC (Shipper)

Signature: _____

EXHIBIT A To EFT Service Agreement #E12371 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

<u>Receipt Entitlements</u>

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	1,008	NFGDC-MSMX
Total Upstream Receipts		1,008	
TOTAL RECEIPT ENTITLEMENTS:		1,008	

Delivery Points

Meter Name	Meter Number	Line Designation	Township	County	State
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SERVICE AGREEMENT #E12372 (EFT Service)

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Quantities

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ARTICLE II

Rate

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National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

ARTICLE V

Regulatory Approval

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Signature:

Name:

Title:

ENERGYMARK, LLC (Shipper)

Signature: _____

EXHIBIT A To EFT Service Agreement #E12372 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

<u>Receipt Entitlements</u>

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	504	NFGDC-MSMX
Total Upstream Receipts		504	
TOTAL RECEIPT ENTITLEMENTS:		504	

Delivery Points

_	Meter Name	Meter Number	Line Designation	Township	County	State
	Nfg Dist. Mineral Springs	NFGDC- MSMX	Line K	West Seneca	Erie	NY

SERVICE AGREEMENT #E12373 (EFT Service)

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ARTICLE IV

Points of Receipt and Delivery

The Point(s) of Receipt for all gas that may be received for Shipper's account for transportation by Transporter, and the receipt entitlements applicable to each point of receipt, or combinations of receipt points, shall be: See Exhibit A.

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account shall be: See Exhibit A.

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ARTICLE V

Regulatory Approval

Performance under this Agreement by Transporter and Shipper shall be contingent upon Transporter receiving all necessary regulatory or other governmental approvals upon terms satisfactory to Transporter. Should Transporter be denied such approvals to provide the service contemplated herein or construct and operate any necessary facilities therefor upon the terms and conditions requested in the application therefor, then Transporter's and Shipper's obligations hereunder shall terminate.

ARTICLE VI

Incorporation by Reference of Tariff Provisions

To the extent not inconsistent with the terms and conditions of this agreement, the provisions of Rate Schedule EFT, or any effective superseding rate schedule or otherwise applicable rate schedule, including any provisions of the General Terms and Conditions incorporated therein, and any revisions thereof that may be made effective hereafter are hereby made applicable to and a part hereof by reference.

ARTICLE VII

Miscellaneous

1. No change, modification or alteration of this Agreement shall be or become effective until executed in writing by the parties hereto, and no course of dealing between the parties shall be construed to alter the terms hereof, except as expressly stated herein.

2. No waiver by any party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any other default or defaults, whether of a like or of a different character.

3. Any company which shall succeed by purchase, merger or consolidation of the gas related properties, substantially as an entirety, of Transporter or of 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. Either party may, without relieving itself of its obligations under this Agreement, assign any of its rights hereunder to a company with which it is affiliated, but otherwise, no assignment of this Agreement or of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto in writing of the other party. Consent shall not be unreasonably withheld.

4. Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement, or any notice which either party may desire to give the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail, or certified mail, or sent by UPS, FedEx, or equivalent form of delivery that requires signature upon receipt to the Post Office address of the parties hereto, as the case may be, as follows:

Transporter:	National Fuel Gas Supply Corporation Interstate Marketing 6363 Main Street Williamsville, New York 14221
Shipper:	EnergyMark, LLC 6653 Main Street Williamsville, New York 14221 Attn: Gary Marchiori

or at such other address as either party shall designate by formal written notice. Routine communications, including monthly statements, shall be considered as duly delivered when mailed by either registered, certified, or ordinary mail, electronic communication, or telecommunication.

5. Transporter shall proceed with due diligence to obtain such governmental and other regulatory authorizations as may be required for the rendition of the services contemplated herein, provided that Transporter reserves the right to file and prosecute applications for such authorizations, any supplements or amendments thereto and, if necessary, any court review, in such manner as it deems to be in its best interest, including the right to withdraw the application or to file pleadings and motions (including motions for dismissal).

6. This Agreement and the respective obligations of the parties hereunder are subject to all present and future valid laws, orders, rules and regulations of constituted authorities having jurisdiction over the parties, their functions or gas supply, this Agreement or any provision hereof. Neither party shall be held in default for failure to perform hereunder if such failure is due to compliance with laws, orders, rules or regulations of any such duly constituted authorities.

7. The subject headings of the articles of this Agreement are inserted for the purpose of convenient reference and are not intended to be a part of the Agreement nor considered in any interpretation of the same.

8. No presumption shall operate in favor of or against either party hereto as a result of any responsibility either party may have had for drafting this Agreement.

9. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, WITHOUT RECOURSE TO THE LAW REGARDING THE CONFLICT OF LAWS.

The parties hereto have caused this Agreement to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature:

Name: _____

Title:

ENERGYMARK, LLC (Shipper)

Signature: _____

Name: _____

Title:

EXHIBIT A To EFT Service Agreement #E12373 between National Fuel Gas Supply Corporation ("Transporter") and EnergyMark, LLC ("Shipper")

Receipt Entitlements

Receipt Points

	Receipt Points	Receipt Entitlements (all Quantities in Dth)	Linked Delivery Point
Upstream Receipts			
RIDGWAY MARKET POOL	RIDGWAY	504	NFGDC-MSMX
Total Upstream Receipts		504	
TOTAL RECEIPT ENTITLEMENTS:		504	

Delivery Points

_	Meter Name	Meter Number	Line Designation	Township	County	State
	Nfg Dist. Mineral Springs	NFGDC- MSMX	Line K	West Seneca	Erie	NY

RESERVED FOR FUTURE USE

CONFORMED COPY

Amendment III to SS-1 Service Agreement P01517 dated March 29, 1990, as amended, between National Fuel Gas Supply Corporation (successor to Penn-York Energy Corporation) and Transcontinental Gas Pipe Line Company, LLC (successor to Transcontinental Gas Pipe Line Corporation) (the "Service Agreement")

This AMENDMENT is entered into this <u>7th</u> day of <u>July</u>, 2020, by and between **National Fuel Gas Supply Corporation** ("Transporter"), and **Transcontinental Gas Pipe Line Company, LLC** ("Buyer"). This Amendment shall amend terms of the above-referenced service agreement, as amended.

Subject to the receipt of any required authorization by the Federal Energy Regulatory Commission ("Commission"), on terms and conditions acceptable to both Transporter and Buyer, which receipt shall be a condition precedent to the effectiveness of this Amendment, Transporter and Buyer hereby agree to amend the terms of the Service Agreement, effective the first day of the month following Commission approval, only as follows:

1. Article IV – Delivery Point and Pressures – is deleted in its entirety and replaced with the following:

The point of delivery for gas received for Buyer's account by Transporter and redelivered by Transporter to or for Buyer's account shall be at the pipeline interconnection between Transporter and Buyer at Leidy, Pennsylvania (point 7126). The gas received by Transporter at such Leidy interconnection shall be at the pressure at which Transporter is operating its facilities, but not less than 1,000 psig, and upon re-delivery to or for the account of Buyer shall be at pipeline pressures suitable for delivery into Buyer's system; provided that Transporter shall not be obligated to deliver gas at a pressure in excess of 1,200 psig.

2. The parties hereto have caused this Amendment to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: /s/ Bruce D. Heine

Name: Bruce D. Heine

Title: Senior Vice President

TRANSCONTINENTAL GAS PIPE LINE COMPANY, LLC (Buyer)

 Signature:
 /s/ Hector Alatorre

 Name:
 Hector Alatorre

 Title:
 Director, Commercial Services

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Amendment III to FSS Service Agreement #O12591 between National Fuel Gas Supply Corporation And Spotlight Energy, LLC

This AMENDMENT is entered into this 24th day of November, 2020, by and between National Fuel Gas Supply Corporation ("Transporter"), and Spotlight Energy, LLC, ("Shipper"). Subject to the receipt of any required approvals by the Federal Energy Regulatory Commission, this Amendment shall become effective on February 15, 2021, only if Transporter has held an open season and has not awarded the capacity listed in the open season under its ESS and EFT Rate Schedules at the maximum tariff rates. This Amendment shall amend terms of the above-referenced service agreement, as amended, only as follows:

1. Effective April 1, 2021, replace Article I (Quantities) with the following:

Subject to the provisions of Transporter's FSS Rate Schedule Transporter agrees to receive, cause to be injected into storage for Shipper's account, store, withdraw from storage, and deliver to Shipper quantities of natural gas as follows:

Maximum Storage Quantity (MSQ) of 866,910 Dekatherms (Dth) Maximum Daily Injection Quantity (MDIQ) of 5,099 Dth Maximum Daily Withdrawal Quantity (MDWQ) of 7,881 Dth

Pursuant to Section 2.9 of the FSS Rate Schedule, Shipper's right to inject gas will vary according to the percentage of the Shipper's Maximum Storage Quantity (MSQ) occupied at the commencement of any given day as follows:

Percentage of MSQ Occupied	Injection Right (Dth/day)
From 0% to 70%	5,099
From greater than 70% to 100%	4,335

Pursuant to Section 2.9 of the FSS Rate Schedule, Shipper's right to withdraw gas will vary according to the percentage of the Shipper's Maximum Storage Quantity (MSQ) occupied at the commencement of any given day as follows:

Percentage of MSQ Occupied	Withdrawal Right (Dth/day)
From greater than 30% to 100%	7,881
From greater than 15% to 30%	7,224
From greater than 10% to 15%	6,422
From 0% to 10%	5,779

2. Effective April 1, 2021, replace Article IV (Receipt and Delivery Points) with the following:

The Point(s) of Receipt for all gas that may be received for Shipper's account for storage by Transporter, and the MDTQ applicable to each point of receipt, shall be:

5,099 Dth at Transporter's storage system

The Point(s) of Delivery for all gas to be delivered by Transporter for Shipper's account and the MDTQ applicable to each point of delivery shall be:

7,881 Dth at Transporter's storage system

3. The parties hereto have caused this Amendment to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: /s/ Bruce D. Heine

Name: Bruce D. Heine

Title: Senior Vice President

SPOTLIGHT ENERGY, LLC (Shipper)

Signature: /s/ Mathew Steinberg

Name: <u>Mathew Steinberg</u>

Title: Member

National Fuel Gas Supply Corporation FERC Gas Tariff Fifth Revised Volume No. 1

Amendment IV to FST Service Agreement #N12592 between National Fuel Gas Supply Corporation And Spotlight Energy, LLC

This AMENDMENT is entered into this 24th day of November, 2020, by and between National Fuel Gas Supply Corporation ("Transporter"), and Spotlight Energy, LLC, ("Shipper"). Subject to the receipt of any required approvals by the Federal Energy Regulatory Commission, this Amendment shall become effective on February 15, 2021, only if Transporter has held an open season and has not awarded the capacity listed in the open season under its ESS and EFT Rate Schedules at the maximum tariff rates. This Amendment shall amend terms of the above-referenced service agreement, as amended, only as follows:

1. Effective April 1, 2021, replace Article I (Quantities) with the following:

Subject to the provisions of Transporter's FST Rate Schedule, Transporter agrees to transport for Shipper up to the following quantities of natural gas:

Contract Maximum Daily Injection Transportation Quantity (MDITQ) of 5,201 Dekatherms (Dth)

Contract Maximum Daily Withdrawal Transportation Quantity (MDWTQ) of 7,881 Dekatherms (Dth)

2. Effective April 1, 2021, replace Second Revised Exhibit A with the attached Third Revised Exhibit A.

3. The parties hereto have caused this Amendment to be signed by their duly authorized personnel the day and year first above written.

NATIONAL FUEL GAS SUPPLY CORPORATION (Transporter)

Signature: /s/ Bruce D. Heine

Name: Bruce D. Heine

Title: Senior Vice President

SPOTLIGHT ENERGY, LLC (Shipper)

Signature: <u>/s/ Mathew Steinberg</u>

Name: <u>Mathew Steinberg</u>

Title: Member

THIRD REVISED EXHIBIT A To FST Service Agreement #N12592 Between National Fuel Gas Supply Corporation ("Transporter") and Spotlight Energy, LLC ("Shipper")

<u>Primary Injection Receipt Point(s)</u>		
Point	MDITQ	Pressure
The interconnection between Transporter and Tennessee Gas Pipeline Company, L.L.C. at Roselake (point 420527).	5,201 Dth/Day	
Primary Injection Delivery Point(s)		
Point	MDITQ*	Pressure
Transporter's Storage System.	5,201 Dth/Day	
<u>Primary Withdrawal Receipt Point(s)</u>		
Point	MDWTQ	Pressure
Transporter's Storage System.	7,881 Dth/Day	
Primary Withdrawal Delivery Point(s)		
Point	MDWTQ*	Pressure
The interconnection between Transporter and Tennessee Gas Pipeline Company, L.L.C. at Roselake (point 420527).	7,881 Dth/Day	
*Less applicable Transportation Fuel	and Company Use I	Retention and the applicable

*Less applicable Transportation Fuel and Company Use Retention and the applicable Transportation LAUF Retention.

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