

GENERAL TERMS AND CONDITIONS

28. REVENUE CREDIT

- 28.1 Applicability. The credit available under this Section 28 shall apply to all Transportation Service Agreements under Rate Schedule FT.
- 28.2 Basis of the Credit. Revenues to which the credit under this Section 28 shall apply ("Eligible Revenues") shall be the revenues actually received by Transporter under the Rate Schedule IT that are not subject to refund and are attributable to commodity charges but not imbalance charges, scheduling penalties, unauthorized contract overrun penalties, ACA, or other charges. Starting with the effectiveness of this Tariff and the anniversary of the effective date every Year thereafter, Transporter shall first retain 100% of all IT Rate Schedule revenues until Transporter has received an amount of revenues equal to the annual amount of costs, if any, allocated by the Commission to service under Rate Schedule IT. Thereafter and for the remainder of the Year, Transporter shall credit to current Month invoices under the applicable rate schedules 90% of the Eligible Revenues received during the prior Month. Transporter shall retain the remainder of the Eligible Revenues not required to be credited or refunded.
- 28.3 Apportionment of Eligible Revenues. Eligible Revenues attributable to a Month shall be apportioned among all Rate Schedule FT Shippers by applying the following ratio for each customer: (a) the Shipper's total Maximum Transportation Quantities in effect during that Month under Rate Schedule FT, (b) divided by the summation of the total Maximum Transportation Quantity in effect during that Month for all Rate Schedule FT Shippers; provided, however, that no Shipper shall receive a credit under this Section 28 in excess of its Reservation Charges for that Month, with such excess being reallocated to the other Shippers in accordance with the above ratios.
- 28.4 Revenues Subject to Refund. In the event that any revenues obtained under Rate Schedule IT are collected subject to refund, and are ultimately not required to be refunded to Shippers under Rate Schedule IT, Transporter shall recalculate the revenue credits that would have been due to Shipper if Rate Schedule IT rate ultimately approved by the Commission had been in effect at the time of the revenue credit, and shall credit Shipper for the difference between revenues actually credited, and the recalculated revenue credit, plus interest at the rate prescribed by the Commission's Regulations.