

RATE SCHEDULE FT  
Firm Transportation Service

1. AVAILABILITY

This rate schedule is available for firm Transportation of Natural Gas by Transporter for any party (hereinafter called "Shipper"), when:

- (a) Shipper has made a valid request for firm Transportation and meets the standards set forth in Section 3 of the General Terms and Conditions of this Tariff of which this rate schedule is a part;
- (b) Sufficient firm capacity is available to effectuate such Transportation without any construction of facilities or other investment by Transporter, unless Transporter has waived this requirement in writing; and
- (c) Shipper has executed a Transportation Service Agreement in the form contained in this Tariff of which this rate schedule is a part.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Transportation provided under the Rate Schedule FT shall be firm reserved Transportation service and shall have priority over all other Transportation Service provided by Transporter. To the extent tendered by Shipper or Shipper's Agent, Transporter shall receive from Shipper, or for the account of Shipper, at those points on Transporter's system as specified in an executed Transportation Service Agreement between Shipper and Transporter (hereinafter referred to as "Receipt Point(s)") for Transportation hereunder, daily quantities of Gas up to Shipper's Maximum Transportation Quantity (taking into account the L & U Percentage) as specified in the Transportation Service Agreement.
- 2.2 Upon receipt of such Natural Gas from Shipper or for Shipper's account, Transporter shall (after making allowance for the L & U Percentage) transport and deliver to Shipper or to a downstream entity for Shipper's account quantities of Gas up to Shipper's Maximum Equivalent Quantity at those points on Transporter's system as are specified in an executed Transportation Service Agreement between Shipper and Transporter (hereinafter referred to as "Delivery Point(s)").
- 2.3 Provided such quantities have been scheduled in accordance with Section 4 of the General Terms and Conditions of this Tariff, Shipper may obtain Transportation of quantities of Gas in excess of the Maximum Transportation Quantity on any day if in Transporter's reasonable judgment Transportation of such Gas can be accomplished by Transporter without detriment to any other Shipper under any of Transporter's rate schedules. Such excess quantities shall be deemed to be Authorized Overrun Quantities.
- 2.4 Transporter shall not be obligated to allow any taps, add any facilities, or expand the capacity of Transporter's pipeline system in any manner in order to provide Transportation Service to Shipper pursuant to this rate schedule.

3. RATE

- 3.1 Unit Rates. The applicable maximum and minimum rates are set forth in the Statement of Rates for Rate Schedule FT and are hereby incorporated herein. The applicable unit rates to be charged on any day by Transporter for Gas scheduled for Shipper shall not be in excess of the maximum unit rate nor less than the minimum unit rate. The same minimum and maximum rates are applicable whether the service constitutes a Backhaul or otherwise.
- 3.2 Monthly Bill. For Shippers executing a Transportation Service Agreement pursuant to this Rate Schedule FT, and beginning with the Commencement Date and for each Month thereafter, Transporter shall charge and Shipper shall pay Transporter the sum of the following amounts:
  - (a) Reservation Charge: The applicable reservation charge per MMBtu multiplied by Shipper's effective Maximum Transportation Quantity under this rate schedule (except under circumstances in which service commences on a day other than the first day of the Month, or ends on a day other than the last day of the Month, in which case the reservation charge for the Month shall

be pro rated);

- (b) Commodity Charge: The applicable commodity rate multiplied by the quantity of Gas scheduled in the Month under this rate schedule (excluding Authorized Overrun Quantities) at the Delivery Point(s); plus
- (c) Authorized Overrun Charge: The applicable authorized overrun charge per MMBtu multiplied by the Authorized Overrun Quantity Scheduled for Shipper for the Month under this rate schedule; plus
- (d) Imbalance Charges: The applicable imbalance charges assessed pursuant to Section 6 of the General Terms and Conditions of this Tariff; plus
- (e) Scheduling Penalties: The applicable scheduling penalties assessed pursuant to Section 6 of the General Terms and Conditions of this Tariff; plus
- (f) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 6 of the General Terms and Conditions of this Tariff; plus
- (g) Other Applicable Charges: The applicable surcharges, including but not limited to ACA charges, provided for in Section 12 of the General Terms and Conditions of this Tariff; less
- (h) Revenue Credit: The revenue credit provided for in Section 28 of the General Terms and Conditions of this Tariff.

3.3 Shipper Reimbursement. In the event that Transporter agrees to install facilities in order to provide service to Shipper in consideration of Shipper's agreement to reimburse Transporter's cost of installing such facilities, then Shipper shall, in addition to the charges referenced above, reimburse Transporter for the following:

- (a) The costs of any facilities installed by Transporter with Shipper's consent to receive, measure, transport or deliver Natural Gas for the account of Shipper;
- (b) Any and all filing and approval fees required in connection with Shipper's Transportation Service Agreement that Transporter is obligated to pay to the FERC or any other governmental authority having jurisdiction; and
- (c) An amount reflecting the income tax liability incurred by Transporter as a result of the receipt of reimbursements pursuant to subsections 3.3 (a), (b) or (c) of this Rate Schedule FT.

Any reimbursement due Transporter by Shipper pursuant to this Section 3.3 shall be due and payable to Transporter within ten days of the date of Transporter's invoice(s) for same. Nothing in this Section 3.3 shall be construed as requiring Transporter to install facilities.

#### 4. NOMINATIONS AND SCHEDULING OF RECEIPTS AND DELIVERIES

If Shipper desires Transportation of Natural Gas on any day under this rate schedule, Shipper shall provide a nomination to Transporter in accordance with this Section 4 or the General Terms and Conditions of this Tariff. Based upon the nomination of Shipper, Transporter shall schedule receipts and deliveries of Gas in accordance with the General Terms and Conditions of this Tariff. It is the responsibility of Shipper to adjust its deliveries and receipts to conform to the General Terms and Conditions of this Tariff.

Daily deliveries of Gas by Shipper to Transporter at the Receipt Point(s) hereunder shall be as nearly equal as possible to daily receipts of Gas by Shipper from Transporter at the Delivery Point(s) (taking into account the L & U Percentage). Any excess or deficiency in such receipts and deliveries shall be resolved in accordance with the General Terms and Conditions of this Tariff.

#### 5. OTHER OPERATING CONDITIONS

Transporter's obligations to provide service under this rate schedule is subject to the following conditions being satisfied:

- 5.1 Shipper shall make all necessary arrangements with other parties at or upstream of the Receipt Point(s) where Shipper tenders Gas to Transporter for transportation,

and at or downstream of the Delivery Point(s) where Transporter delivers Gas for Shipper's account, which arrangement must be compatible with Transporter's system operations and Shipper's service entitlements.

- 5.2 To the extent that any upstream entity involved in handling Shipper's Gas refuses or is unable to deliver Gas to Transporter in sufficient quantities and at sufficient pressures, Transporter shall not be required to continue deliveries of Gas on behalf of Shipper. To the extent that any downstream entity involved in handling Shipper's Gas refuses or is unable to receive Gas from Transporter, Transporter shall have the right to reduce deliveries of Gas on behalf of Shipper.
- 5.3 The daily quantities of Natural Gas transported shall be delivered by Shipper to Transporter at the Receipt Point(s) at an hourly rate of 1/24 of the scheduled daily quantity. The daily quantities of Natural Gas transported shall be accepted by Shipper from Transporter at the Delivery Point(s) at a substantially constant hourly rate except as provided in Section 8 of the General Terms and Conditions of this Tariff.

6. RECEIPT POINT(S) AND DELIVERY POINT(S)

- 6.1 Primary Receipt Points. The Primary Receipt Point(s) at which Transporter shall receive Shipper's Gas for Transportation under this rate schedule shall be specified in an exhibit to the Transportation Service Agreement executed by Transporter and Shipper. Such exhibit shall specify for each Primary Receipt Point the Maximum Input Quantity entitlement and receipt pressure obligations of Shipper. Such Maximum Input shall be subject to adjustment to take account of the L & U Percentage. Such exhibit by mutual written agreement may be superseded by a new exhibit in accordance with the General Terms and Conditions of this Tariff.
- 6.2 Secondary Receipt Points. Notwithstanding the foregoing, all interconnections between the facilities of Transporter and the facilities of other operators shall be available for use by Shipper as Secondary Receipt Point(s), as set forth in Section 7.1 of the General Terms and Conditions of this Tariff.
- 6.3 Primary Delivery Points. The Primary Delivery Point(s) at which Transporter shall make Gas available for Shipper's account under this rate schedule shall be specified in an exhibit to the Transportation Service Agreement executed by Transporter and Shipper. Such exhibit shall specify for each Delivery Point the Maximum Equivalent Quantity entitlement of Shipper and maximum and minimum delivery pressures of Transporter. Transporter shall not accept any proposed Primary Delivery Point(s), or quantity at any Primary Delivery Point(s), or change in quantities among Primary Delivery Point(s), except in accordance with the General Terms and Conditions of this Tariff.
- 6.4 Secondary Delivery Points. Notwithstanding the foregoing, all interconnections between the facilities of Transporter and the facilities of other operators shall be available for use by Shipper as Secondary Delivery Points, as set forth in Section 7.3 of the General Terms and Conditions of this Tariff.

7. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of this rate schedule.