

# Table of Contents

Rate SchedulesPart 7.0

Firm Transportation Service - FTSPart 7.10

Interruptible Transportation Service - ITSPart 7.20

## RATE SCHEDULES

RATES SCHEDULE FTS  
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

Rate Schedule FTS is available for transportation service by OkTex Pipeline Company (hereinafter called "Transporter"), to any entity desiring transportation (hereinafter called "Shipper"), where:

1.1 Shipper and Transporter have executed a Gas Transportation Contract for Firm Service under Rate Schedule FTS;

1.2 Contract(s) have been or will be entered into by or on behalf of Shipper for the purchase or sale of natural gas and the delivery of such gas to Transporter at one or more Receipt Points on Transporter's natural gas transmission system;

1.3 Either (i) Shipper's natural gas facilities, or the facilities where the gas is to be delivered, interconnect with Transporter's natural gas transmission system at one or more Delivery Points or (ii) contracts have been or will be entered into by or on behalf of Shipper for the further transportation of the gas from Transporter's system to such facilities; and

1.4 All necessary regulatory and governmental approvals to purchase and sell, transport and, if appropriate, import the natural gas to be transported by Transporter have been obtained.

2. REQUESTS FOR SERVICE

2.1 Transporter will accept reservations for firm transportation service under Rate Schedule FTS, subject to the availability of firm capacity on Transporter's natural gas transmission system for the provision of such service, from Shippers on a first-come, first-served basis with priority given to those Shippers who were first to request such service in accordance with Section 2.2 hereof. For purposes of preceding sentence, all requests for service received on any one (1) day will be deemed to have been received at the same time on such day, in a day, if received prior to the gas flow nomination deadline. If requests for the reservation of firm transportation service under Rate Schedule FTS received on any one (1) day exceed the capacity available for firm reserved transportation service on Transporter's system, such capacity shall be allocated among Shippers requesting firm reserved transportation service under Rate Schedule FTS on such day on a pro rata basis. In the event that any Shipper elects not to enter into a contract for its pro rata share of firm reserved transportation capacity such capacity shall be reallocated among the other Shippers on a pro rata basis up to their requested reservations. Upon Transporter's acceptance of a reservation, Transporter and Shipper shall enter into a Gas Transportation Contract for Firm Transportation Service in the form set forth in Part 9.10.

Such contract(s) shall be at least one month in duration and shall provide that transportation service shall begin and terminate on dates mutually agreed to by Shipper and Transporter. After the primary term of any contract for this Rate Schedule FTS, such contract may continue in effect month-to-month thereafter until terminated upon at least sixty (60) days prior notice to terminate on dates mutually agreed to by Shipper and Transporter.

2.2 Requests for transportation under the Rate Schedule FTS shall be in writing in accordance with the Service Request Form, shall be addressed to Transporter and shall contain all of the information requested on the Service Request Form or shall be made electronically through the Customer Activities Web site. (Reference NAESB Standards 4.3.1-3, 4.3.5, and 4.3.7-18, 4.3.20, 4.3.22-62, 4.3.64-76, and 4.3.78-92).

2.3 If Shipper does not execute a Gas Transportation Contract for Firm Transportation Service within thirty (30) days of the date on which Transporter tenders such contract to Shipper, Shipper's request for transportation service pursuant to Rate Schedule FTS shall be null and void.

2.4 A request by a Shipper for an increase in the Maximum Daily Contract Demand, or in the Maximum Input Quantity for a Receipt Point, or in the Maximum Equivalent Quantity at a Delivery Point shall be treated as a new request for service and handled in accordance with this Section 2.

### 3. APPLICABILITY AND CHARACTER OF SERVICE

Rate Schedule FTS shall apply to all firm reserved transportation service rendered under gas transportation contracts for such firm reserved service.

When Shipper and Transporter have executed a Gas Transportation Contract for Firm Transportation Service under Rate Schedule FTS, Transporter shall receive from or for the account of Shipper, during each month during the term of such contract beginning with the Commencement Date, the Input Quantity scheduled for each Receipt Point pursuant to Section 6 hereof, up to the Maximum Input Quantity scheduled for each Receipt Point. Transporter shall transport and make available to or on behalf of Shipper such Input Quantity, adjusted for the Fuel and Use Quantity, at the Delivery Point(s) scheduled by Shipper, not to exceed the Maximum Equivalent Quantity for each Delivery Point.

Transportation service provided hereunder shall be firm reserved service and shall have priority over all transportation undertaken by Transporter on an interruptible basis.

### 4. DETERMINATION OF RECEIPT AND DELIVERY QUANTITIES, OPERATING COORDINATION AND ADJUSTMENTS

Gas received by Transporter for Shipper's account at the Point(s) of Receipt may be commingled with Gas received for other Shippers at the same point(s), and Gas delivered by Transporter for

Shipper's account at the Point(s) of Delivery may be commingled with Gas delivered to other Shippers at the same point(s).

Transporter and Shippers shall use their best efforts to coordinate their actions to reduce imbalances resulting from the inability to maintain precise control and shall adjust operating procedures from time to time in the light of experience to balance out and to minimize imbalances.

## 5. CONSTRUCTION OF NEW FACILITIES

Transporter shall not be required to acquire or construct any pipeline facilities specifically applicable to an individual Shipper (other than those minor facilities incident to the receipt and delivery or measurement of Gas at the Point(s) of Receipt and Point(s) of Delivery or at locations where Gas is measured) in order to provide service under this Rate Schedule; provided, however, that Transporter may, in its reasonable discretion, which discretion will not be applied in a discriminatory manner and with the agreement of the Shipper, agree to acquire or construct any such necessary facilities, subject to the provisions of Section 8.4 of this Rate Schedule.

## 6. NOMINATIONS AND SCHEDULING

Refer to Section 10. OPERATING INFORMATION, ESTIMATES, NOMINATION, SCHEDULING AND BALANCING in the General Terms and Conditions.

## 7. HOURLY VARIATIONS

Transporter shall receive, transport and deliver gas at a uniform hourly rate of flow when operationally feasible, the amount which Transporter scheduled for Shipper for that month for transportation under this Rate Schedule, provided, however, that Transporter will transport hourly Quantities for Shipper without regard to such hourly limitation to the extent that Transporter can do so without impairment of service to its other Shippers or without adversely affecting the operation of the system.

## 8. RATES

8.1 **Applicable Rates.** The applicable Maximum and Minimum Monthly Demand Charges and Unit Commodity Rates, for firm reserved transportation service under Rate Schedule FTS, are set forth in the currently effective Rates in Part 5.0 and are hereby incorporated herein.

8.2 **Monthly Bill.** The monthly bill for firm Transportation service rendered under Rate Schedule FTS shall consist of a Monthly Demand Charge and a Unit Commodity Charge determined as follows:

(a) **Monthly Demand Charge** - For each month, the Monthly Demand Charge payable by each Shipper shall, subject to any discount as provided herein, be equal to the applicable Maximum Monthly Demand Charge multiplied by the Maximum Daily Contract Demand for transportation to each Delivery Point as specified in the Gas Transportation Contract. The Monthly Demand Charge is payable notwithstanding any failure to deliver all or any portion of Shipper's Input Quantity to Transporter at each Receipt Point during such month, for any reason whatsoever including force majeure.

(b) **Unit Commodity Charge** - For each month, the Unit Commodity Rate payable by each Shipper shall, subject to any discount as provided herein, be equal to the applicable Maximum Unit Commodity Rate multiplied by the sum of the Input Quantity received by Transporter on behalf of Shipper during such month at each Receipt Point for transportation to each Delivery Point.

(c) **GRI and ACA Surcharges** - For each month, the ACA Surcharges payable by each Shipper shall be equal to the ACA Adjustments multiplied by the sum of the Input Quantities received by Transporter on behalf of Shipper during such month at each Receipt Point for transportation to each Delivery Point. The GRI surcharge shall be computed as set forth in the currently effective Rates in Part 5.0.

8.3 **Flexible Rates.** For purposes of administering rates under Rate Schedule FTS, Transporter shall have the right, in its sole discretion, to discount the Maximum Monthly Demand Charge and Maximum Unit Commodity Rates for firm service under Rate Schedule FTS and to charge a lower rate for some or all of the services performed under Rate Schedule FTS, so long as such discounting is necessary to meet competitive conditions existing at the time, provided, however, that in no event shall rates charged under Rate Schedule FTS be less than Transporter's Minimum Monthly Demand Charge and Minimum Unit Commodity Rates for firm service.

8.4 **Other Charges.** The following further fees and charges also may be charged by Transporter to the extent applicable to the specific services provided hereunder.

(a) *Reimbursement for Filing Fees* - Shipper shall reimburse Transporter for any filing or reporting fees that are assessed by any governmental agency in conjunction with service hereunder and paid by Transporter; and

(b) For the costs of all facilities which Transporter acquires or constructs to provide service hereunder specifically applicable to such Shipper as described in Section 5 of this Rate Schedule, and which Shipper has agreed to reimburse Transporter in whole or in part.

(c) Unless otherwise provided, all substances whether or not of commercial value, including all liquid and liquefiable hydrocarbons of whatever nature, that Transporter recovers in the course of transporting the quantities of natural gas tendered hereunder

by or on behalf of Shipper shall be Transporter's sole property, and Transporter shall not be obliged to account to Shipper for any value, whether or not realized by Transporter, that may attach or be said to attach to such substance.

8.5 Invoicing. Refer to NAESB Standards 3.3.2, 3.3.4 through 3.3.13, 3.3.15 through 3.3.26, 3.4.1 through 3.4.4.

## 9. MINIMUM COMMODITY BILL

The applicable Minimum Unit Commodity Rates, for transportation service under Rate Schedule ITS and FTS are set forth in the currently effective Rates in Part 5.0.

## 10. MEASUREMENT

Refer to Section 5 on the General Terms and Conditions.

## 11. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions are part of Rate Schedule FTS.

## 12. RESERVATIONS

Transporter reserves the unilateral right from time to time to make any changes to or to supersede the rates, charges and any terms stated in this Rate Schedule and the applicability thereof, the General Terms and Conditions and any other provisions of Transporter's FERC Gas Tariff, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

## 13. ADDITIONAL DEFINITIONS

13.1 Maximum Monthly Demand Charge. The Maximum Monthly Demand Charge for each Dekatherm of the Maximum Daily Contract Demand at each Receipt Point for transportation to each Delivery Point shall be the highest applicable dollar amount that Transporter is permitted to charge under Rate Schedule FTS for the reservation of firm transportation service.

13.2 Minimum Monthly Demand Charge. The Minimum Monthly Demand Charge for each Dekatherm of the Maximum Daily Contract Demand at each Receipt Point for transportation to each Delivery Point shall be the lowest applicable dollar amount that Transporter is permitted to charge under Rate Schedule FTS for the reservation of firm transportation service.

13.3 Discounted Monthly Demand Charge. The Discounted Monthly Demand Charge for any Dekatherm of the Maximum Daily Contract Demand at any Receipt Point for

transportation to any Delivery Point shall be the dollar amount per Dekatherm of Maximum Daily Contract Demand specified by Transporter in a notice to Shipper, which amount shall be less than the Maximum Monthly Demand Charge but equal to or greater than the Minimum Monthly Demand Charge.

#### 14. CAPACITY CURTAILMENT.

If during any month Transporter determines that capacity for firm transportation service on Transporter's system is insufficient to serve Shipper and others who have entered into Gas Transportation Contracts for Firm Service with Transporter and who have scheduled service on such day, firm transportation service on Transporter's system shall be allocated in accordance with Section 13 of the General Terms and Conditions. Transporter shall not bear any liability for any curtailment of transportation service to Shipper undertaken pursuant to events of force majeure and other events described in this Rate Schedule and the General Terms and Conditions made a part hereof. In no event shall Transporter be relieved of liability to the extent it is caused by Transporter's own negligence or wrongful conduct.

RATE SCHEDULE ITS  
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

Rate Schedule ITS is available for transportation service by OkTex Pipeline Company (hereinafter called "Transporter") to any entity desiring transportation service (hereinafter called "Shipper"), where:

1.1 Shipper and Transporter have executed a Gas Transportation Contract for Interruptible Service under Rate Schedule ITS;

1.2 contract(s) have been or will be entered into by or on behalf of Shipper for the purchase or sale of natural gas and the delivery of such gas to Transporter at one or more Receipt Points on Transporter's natural gas transmission system;

1.3 either (i) Shipper's natural gas facilities or the facilities, where the gas is to be delivered, interconnect with Transporter's natural gas transmission system at one or more Delivery Points or (ii) contract(s) have been or will be entered into by or on behalf of Shipper for the further transportation of the gas from Transporter's system to such facilities; and

1.4 all necessary regulatory and governmental approvals to purchase and sell, transport and, if appropriate, import the natural gas to be transported by Transporter have been obtained.

2. REQUESTS FOR SERVICE

2.1 Transporter will accept requests for interruptible transportation service under Rate Schedule ITS, subject to the availability of interruptible capacity on Transporter's natural gas transmission system for the provision of such service, from Shippers on a first-come, first-served with priority given to those Shippers who were first to request such service in accordance with Section 2.2 hereof. For purposes of preceding sentence, all requests for service received on any one (1) day will be deemed to have been received at the same time on such day if received prior to the gas flow nomination deadline. If requests for interruptible transportation service under Rate Schedule ITS received on any one(1) day exceed the capacity available for interruptible transportation service on Transporter's system, such capacity shall be allocated among Shippers requesting interruptible transportation service under Rate Schedule ITS on such day on a pro rata basis. In the event that any Shipper elects not to enter into a contract for its pro rata share of interruptible transportation capacity such capacity shall be reallocated among the other Shippers on a pro rata basis up to their requested reservations. Upon Transporter's acceptance of a request, Transporter and Shipper shall enter into a Gas Transportation

Contract for Interruptible Transportation Service in the form set forth in Part 9.20. Such contract(s) shall be at least one month in duration and shall provide that transportation service shall begin and terminate on dates mutually agreed to by Shipper and Transporter. After the primary term of any contract for this Rate Schedule ITS, such contract may continue in effect month-to-month thereafter until terminated upon at least sixty (60) days prior notice to terminate on dates mutually agreed to by Shipper and Transporter.

2.2 Requests for transportation under the Rate Schedule ITS shall be in writing in accordance with the Service Request Form, shall be addressed to Transporter and shall contain all of the information requested on the Service Request Form or shall be made electronically through the Customer Activities Web site utilized by Transporter. (Reference NAESB Standards 4.3.1-3, 4.3.5, 4.3.7-18, 4.3.20, 4.3.22-62, 4.3.64- 76, and 4.3.78-92).

2.3 Transporter will not schedule or render interruptible transportation service under Rate Schedule ITS if the effect would be to interrupt firm reserved transportation service under Rate Schedule FTS.

2.4 If Shipper does not execute a Gas Transportation Contract for Interruptible Transportation Service within thirty (30) days of the date on which Transporter tenders such contract to Shipper, Shipper's request for transportation service pursuant to Rate Schedule ITS shall be null and void.

### 3. APPLICABILITY AND CHARACTER OF SERVICE

Rate Schedule ITS shall apply to all interruptible transportation service rendered under Gas Transportation Contracts for interruptible service whenever Transporter is able and willing to offer such interruptible service. When Shipper has contracted for interruptible transportation service under Rate Schedule ITS and capacity is available on Transporter's natural gas transmission system for the provision of such service, Transporter shall receive from Shipper, or for the account of Shipper, the Input Quantity scheduled for each Receipt Point pursuant to Section 6 hereof, up to the Maximum Input Quantity for each Receipt Point. To the extent that capacity is available on Transporter's natural gas transmission system, Transporter shall transport and make available to or on behalf of Shipper such Input Quantity adjusted for the Fuel and Use Quantity, at the Delivery Point(s) as Shipper may request, up to the Maximum Equivalent Quantity for each Delivery Point.

### 4. DETERMINATION OF RECEIPT AND DELIVERY QUANTITIES, OPERATING COORDINATION AND ADJUSTMENTS

Gas received by Transporter for Shipper's account at the Point(s) of Receipt may be commingled with Gas received for other Shippers at the same point(s), and Gas delivered by Transporter for Shipper's account at the Point(s) of Delivery may be commingled with Gas delivered to other Shippers at the same point(s). Transporter and Shippers shall use their best efforts to coordinate

their actions to reduce imbalances resulting from the inability to maintain precise control and shall adjust operating procedures from time to time in the light of experience to balance out and to minimize imbalances.

## 5. CONSTRUCTION OF NEW FACILITIES

Transporter shall not be required to acquire or construct any pipeline facilities specifically applicable to an individual Shipper (other than those minor facilities incident to the receipt and delivery or measurement of Gas at the Point(s) of Receipt and Point(s) of Delivery or at locations where Gas is measured) in order to provide service under this Rate Schedule, provided, however, that Transporter may, in its reasonable discretion, which discretion shall not be applied in a discriminatory manner, and with the agreement of the Shipper, agree to acquire or construct any such necessary facilities, subject to the provisions of Section 11 of this Rate Schedule.

## 6. NOMINATIONS AND SCHEDULING

Refer to Section 10. OPERATING INFORMATION, ESTIMATES, NOMINATION, SCHEDULING, AND BALANCING in the General Terms and Conditions.

## 7. REDUCTIONS IN SCHEDULED INPUT QUANTITIES; REQUESTS FOR INCREASES

During any month in which Shipper desires to deliver to Transporter at any Receipt Point a quantity of gas which is less than Shipper's previously scheduled Input Quantity for such Receipt Point for such month, Shipper's dispatcher shall, at least twenty-four (24) hours prior to the commencement of such month, unless Transporter's dispatcher agrees to a shorter time period for advance notice, notify Transporter's dispatcher of the quantity of gas for each such Receipt Point which Shipper desires Transporter to make available at each Delivery Point. After receipt of such notice, Transporter's dispatcher shall advise Shipper's dispatcher of the corresponding Equivalent Quantity for each Delivery Point. Shipper shall arrange for the Input Quantity, as rescheduled, to be delivered to Transporter at each Receipt Point during such month.

A request by a Shipper for an increase in the Maximum Daily Contract Demand, or in the Maximum Input Quantity for a Receipt Point, or in the Maximum Equivalent Quantity at a Delivery Point, shall be treated as a new request for service and handled in accordance with Section 2 hereof.

## 8. HOURLY VARIATIONS

Transporter shall receive, transport and deliver gas at uniform hourly rates of flow when operationally feasible for the amount which Transporter scheduled for Shipper for that month for transportation under this Rate Schedule; provided, however, that Transporter will transport hourly Quantities for Shipper without regard to such hourly limitation to the extent that Transporter can do so without impairment of service to its other Shippers or without adversely affecting the operation of the System.

## 9. CAPACITY CURTAILMENT

If during any month Transporter determines that capacity for interruptible transportation service on Transporter's system is insufficient to serve Shipper and others who have entered into Gas Transportation Contracts for Interruptible Service with Transporter and who have scheduled service on such day, interruptible transportation service on Transporter's system shall be allocated in accordance with Section 13 of the General Terms and Conditions. Transporter shall not bear any liability for any curtailment of transportation service to Shipper undertaken pursuant to events of force majeure and other events described in this Rate Schedule and the General Terms and Conditions made a part hereof. In no event shall Transporter be relieved of liability to the extent it is caused by Transporter's own negligence or wrongful conduct.

## 10. RATES

10.1 Applicable Rates. The applicable Maximum and Minimum Unit Commodity Rates, for interruptible transportation service under Rate Schedule ITS are set forth in the currently effective Rates in Part 5.0 and are hereby incorporated herein.

10.2 Monthly Bill . The monthly bill for interruptible transportation service rendered under Rate Schedule ITS shall consist of a one-part charge determined by multiplying the applicable Maximum Unit Commodity Rate for interruptible service, subject to any discount as provided herein, by the number of Dekatherms of gas received by Transporter on behalf of Shipper during such month.

10.3 Flexible Rates. For purposes of administering rates under Rate Schedule ITS, Transporter shall have the right, in its sole discretion, to discount the Maximum Unit Commodity Rates for interruptible service under Rate Schedule ITS and to charge a lower rate for some or all of the services performed under Rate Schedule ITS, so long as such discounting is necessary to meet competitive conditions existing at the time; provided, however, that in no event shall rates charged under Rate Schedule ITS be less than Transporter's Minimum Unit Commodity Rate for interruptible service.

10.4 GRI and ACA Surcharges - For each month, the ACA Surcharges payable by each Shipper shall be equal to the ACA Adjustments multiplied by the sum of the Input Quantities received by Transporter on behalf of Shipper during such month at each Receipt Point for transportation to each Delivery Point. The GRI surcharge will be computed as set forth in the currently effective Rates in Part 5.0.

10.5 Invoicing. Refer to NAESB Standards 3.3.2, 3.3.4 through 3.3.13, 3.3.15 through 3.3.26, 3.4.1 through 3.4.4.

## 11. OTHER CHARGES

The following further fees and charges also may be charged by Transporter to the extent applicable to the specific services provided hereunder.

11.1 Reimbursement for Filing Fees - Shipper shall reimburse Transporter for any filing or reporting fees that are assessed by any governmental agency in conjunction with service hereunder and paid by Transporter; and

11.2 For the costs of all facilities which Transporter acquires or constructs to provide service hereunder specifically applicable to such Shipper as described in Section 5 of this Rate Schedule, and which Shipper has agreed to reimburse Transporter in whole or in part.

11.3 Unless otherwise provided, all substances whether or not of commercial value, including all liquid and liquefiable hydrocarbons of whatever nature, that Transporter recovers in the course of transporting the quantities of natural gas tendered hereunder by or on behalf of Shipper shall be Transporter's sole property, and Transporter shall not be obliged to account to Shipper for any value, whether or not realized by Transporter, that may attach or be said to attach to such substances.

## 12. MINIMUM COMMODITY BILL

None.

## 13. MEASUREMENT

Refer to Section 5 of the General Terms and Conditions.

## 14. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions are a part of the Rate Schedule ITS.

## 15. RESERVATIONS

Transporter reserves the unilateral right from time to time to make any changes to, or to supersede, the rates, charges and any terms stated in this Rate Schedule and the applicability thereof, the General Terms and Conditions and any other provisions of Transporter's FERC Gas Tariff, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

# Index

7.Part 7.0 - Rate Schedules(v.0.0.09/30/2010

7.10.Part 7.10 - Firm Transportation Service - FTS(v.0.0.09/30/2010

7.20.Part 7.20 - Interruptible Transportation Service - ITS(v.0.0.09/30/2010