

FERC GAS TARIFF

ORIGINAL VOLUME NO. 1

of

OKTEX PIPELINE COMPANY

Filed With

FEDERAL ENERGY REGULATORY COMMISSION

Compliant with NAESB 1.7 of the NAESB WGQ

Communications Covering Rates Should Be Addressed To:

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**TABLE OF CONTENTS**

ORIGINAL VOLUME NO. 1	SHEET NO.
Table of Contents _____	2
Preliminary Statement _____	3
System Map _____	4
Rates _____	5
Rate Schedules	
Firm Transportation Service _____	6
Interruptible Transportation Service _____	11
General Terms and Conditions _____	16
Forms of Service Contracts	
Firm Transportation Service _____	46
Interruptible Transportation Service _____	53
Schedule A _____	60A
Schedule B _____	60C
Schedule C _____	60D
Index of Shippers _____	61

PRELIMINARY STATEMENT

OkTex is an interstate gas company which provides open access transportation services in Texas and Oklahoma. OkTex operates a number of discrete interstate pipeline segments.

Except where not applicable, OkTex Pipeline Company adopts all principles and incorporates all standards issued by the North American Energy Standards Board (NAESB) and accepted by the Federal Energy Regulatory Commission (FERC).

Unless specifically noted in its tariff, OkTex has adopted NAESB Version 1.7 as revised to reflect recommendation R03035A (Gas Quality Reporting), the standards to implement Order 2004 (2004 Annual Plan Item 2), and Order 2004-A (2005 Annual Plan Item 8) OkTex also adopts WGQ Standards 0.3.2, 2.2.4, 2.2.5, 5.2.3, 5.3.59, and 5.3.60, and WGQ Data Sets 3.4.1-3.4.4.

**SYSTEM MAP**

<b>RATES</b>		
<b>OK/TEX SYSTEM</b>		
(Except Buffalo Wallow System and Midstream System)		
	<u>Maximum</u>	<u>Minimum</u>
<b>FIRM TRANSPORTATION SERVICE (FTS)</b>		
Monthly Demand Charge (Per Dekatherm of Maximum Daily Contract Demand)	\$0.8537	\$0.0000
Unit Commodity Rate (Per Dekatherm)	\$0.0000	\$0.0000
<b>INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)</b>		
Unit Commodity Rate (Per Dekatherm)	\$0.0281	\$0.0000
<b>ANNUAL CHARGES ADJUSTMENT CLAUSE (ACA CLAUSE)</b>		
Rate (Per Dekatherm)	\$0.0017	\$0.0017
<b>FUEL AND USE FACTOR</b>	0.00%	0.00%

RATES BUFFALO WALLOW		
	Maximum	Minimum
FIRM TRANSPORTATION SERVICE (FTS)		
Monthly Demand Charge (Per Dekatherm of Maximum Daily Contract Demand)	\$4.5260	\$0.0000
Unit Commodity Rate (Per Dekatherm)	\$0.0026	\$0.0026
GRI - Commodity (Per Dekatherm)	\$0.0072	\$0.0000
Monthly Demand Load Factor 50% or Less	\$0.1230	\$0.0000
Monthly Demand Load Factor Over 50%	\$0.2000	\$0.0000
INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)		
Unit Commodity Rate (Per Dekatherm)	\$0.1514	\$0.0026
GRI - Commodity (Per Dekatherm)	\$0.0072	\$0.0000
ANNUAL CHARGES ADJUSTMENT CLAUSE (ACA CLAUSE)		
Rate (Per Dekatherm)	\$0.0017	\$0.0017
LOST AND UNACCOUNTED FOR FACTOR (INCLUDING BACKHAULS)	0.50%	0.50%

**RATES**  
**Midstream System**

	<u>Maximum</u>	<u>Minimum</u>
<b>FIRM TRANSPORTATION SERVICE (FTS)</b>		
Monthly Demand Charge (Per Dekatherm of Maximum Daily Contract Demand)	\$0.9503	\$0.0000
Unit Commodity Rate (Per Dekatherm)	\$0.0000	\$0.0000
<b>INTERRUPTIBLE TRANSPORTATION SERVICE (ITS)*</b>		
Unit Commodity Rate (Per Dekatherm)	\$0.0312	\$0.0000
<b>ANNUAL CHARGES ADJUSTMENT CLAUSE (ACA CLAUSE)</b>		
Rate (Per Dekatherm)	\$0.0017	\$0.0017
<b>FUEL RETENTION PERCENTAGE</b> (1-Fuel%/100 X Receipt Quantity = Delivery Quantity)	0.25%	0.25%

\*OkTex agrees to adopt the interruptible rates, including discount arrangements, previously negotiated by ONEOK Midstream Pipeline, Inc.

**RATES**  
**Norteño System**

SALES RATE SCHEDULE:

The rates for Rate Schedule GSS - General Sales Service - are subject to negotiation as provided under the terms of the Rate Schedule, Service Agreement and the General Terms and Conditions of this FERC Gas Tariff.

TRANSPORTATION RATE SCHEDULE:

Rate Schedule	Base Rate	Effective Surcharges	Tariff Rate
FT-S - Canutillo and Anthony			
Reservation (1) (2)	\$0.8400	\$0.0107	\$0.8507
Commodity (3)	\$0.0000	\$0.0017	\$0.0017
Minimum Rate (3)	\$0.0000	\$0.0017	\$0.0017
Retention Quantity	0.00%		
IT-S - Commodity:			
Maximum Rate	\$0.0280	\$0.0017	\$0.0297
Minimum Rate	\$0.0005	\$0.0017	\$0.0022
Retention Quantity	0.00%		
IT-DN - Commodity:			
Maximum Rate	\$0.0260	\$0.0017	\$0.0277
Minimum Rate	\$0.0005	\$0.0017	\$0.0022
Retention Quantity	0.00%		

(1) The minimum base rate for the Reservation Charge is \$0.0000

(2) The surcharges may include GRI, Take-or-pay, and Transition Cost recovery. Transition Cost recovery included in these proforma tariffs does not include \$2,669,000 for potential system reinforcement costs necessary to eliminate the merchant function which may be collected at a later date. These costs are amortized over a six year period and allocated to the divisions based on plant investment.

(3) The surcharges may include GRI, ACA, Take-or-pay, and Transition Cost recovery.

**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:

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

(b) 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;

(c) 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

(d) 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 on effective Sheet Nos. 46 to 52. 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 X. 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 Sheet No. 5 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 Rate Sheet(s).

**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 rate sheet(s).

## **10. MEASUREMENT**

Refer to Article V 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 Article XIII 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:

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

(b) 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;

(c) 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

(d) 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 on effective Sheet Nos. 53 to 60. 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 X. 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 Article XIII 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 rate sheet(s) 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 Rate Sheet(s).

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.

(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 substances.

**12. MINIMUM COMMODITY BILL**

None.

**13. MEASUREMENT**

Refer to Article V 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.

**GENERAL TERMS AND CONDITIONS**

**Table of Contents**

<u>SECTION</u>	<u>DESCRIPTION</u>	<u>SHEET NO.</u>
I.	Definition of Terms _____	18
II.	Pressures, Delivery and Receipt Points _____	21
III.	Deliveries and Receipts _____	22
IV.	Quality _____	22
V.	Measurement _____	24
VI.	Measuring Equipment _____	25
VII.	Billings and Payments _____	26A
VIII.	Possession of Gas _____	28
IX.	Warranty of Title to Gas _____	28
X.	Operating Information, Estimates, Nomination, Scheduling and Balancing _____	29
XI.	Other Operating Conditions _____	30
XII.	Force Majeure and Remedies _____	31
XIII.	Curtailment and Interruption _____	32
XIV.	Sales Lateral Pipeline Policy _____	33
XV.	Notices _____	33
XVI.	Modification _____	33
XVII.	Nonwaiver and Future Default _____	33
XVIII.	Successors and Assignees _____	33
XIX.	Schedules and Contracts Subject to Regulation __	34
XX.	Unauthorized Monthly Overdelivery At Receipt Point and Remedy _____	34

Table of Contents (continued)

<u>SECTION</u>	<u>DESCRIPTION</u>	<u>SHEET NO.</u>
XXI.	Unauthorized Monthly Underdelivery At Receipt Point and Remedy _____	35
XXII.	Unauthorized Monthly Overrun At Delivery Point and Remedy _____	35
XXIII.	Unauthorized Monthly Underrun At Delivery Point and Remedy _____	36
XXIV.	Incorporation in Rate Schedules and Gas Transportation Contracts _____	37
XXV.	Service Agreement _____	37
XXVI.	Credit Worthiness _____	37
XXVII.	Relationship with Marketing Affiliate _____	38
XXVIII.	Complaint Procedures _____	39
XXIX.	Valid Request Information _____	39
XXX.	Procedures to Inform Shippers-Informational Posting Page and Customers Activities Web Page _____	39
XXXI.	Gas Research Institute Adjustment and FERC Annual Charge Adjustment _____	39C
XXXII.	Procedures For Avoidance of Pregranted Abandonment _____	40
XXXIII.	Capacity Release _____	40A
XXXIV.	Crediting of Penalty Revenue _____	40G
XXXV.	Operational Flow Orders _____	40G
XXXVI.	Segmentation _____	40H
XXXVII.	Third Party Imbalance Management _____	40I
	Service Request Form _____	41
	Form of Electronic Data Interchange Trading Partner Agreement _____	60E

**GENERAL TERMS AND CONDITIONS**

**I. DEFINITION OF TERMS**

Except where another meaning is expressly stated, the following terms, when used in this Tariff and in any Gas Transportation Contract incorporating this Tariff, shall be construed to have the following meanings:

**1. Input Quantities.**

a. *Input Quantities.* The Input Quantity for each day at a Receipt Point shall be the Dekatherms of natural gas which is delivered to Transporter at the Receipt Point by or on behalf of Shipper, not to exceed the Maximum Input Quantity for such Receipt Point, to be made available to or on behalf of Shipper (subject to adjustment of the Fuel and Use Quantity) at one or more Delivery Points, not to exceed the Maximum Equivalent Quantity for any Delivery Point as set forth on Schedule 1 appended to the Gas Transportation Contract between Shipper and Transporter.

b. *Maximum Input Quantity.* The Maximum Input Quantity for a Receipt Point shall be the maximum Dekatherms of natural gas per day which Shipper is entitled to request Transporter to receive at the Receipt Point to be made available to or on behalf of Shipper (subject to adjustment for the Fuel and Use Quantity) at one or more Delivery Points, not to exceed the Maximum Equivalent Quantity for any Delivery Point as set forth on Schedule 2 appended to the Gas Transportation Contract between Shipper and Transporter

c. *Maximum Daily Contract Demand.* The Maximum Daily Contract Demand shall be the total of the Maximum Input Quantities for all Receipt Points for the Shipper.

**2. Equivalent Quantities.**

a. *Equivalent Quantity.* The Equivalent Quantity shall be those Dekatherms of natural gas to be made available on any day to or on behalf of the Shipper at one or more Delivery Point(s), which Dekatherms shall be the thermal equivalent of the Input Quantity delivered to Transporter at the Receipt Point(s) by or on behalf of Shipper on that day, less the applicable Fuel and Use Quantity.

b. *Maximum Equivalent Quantity.* The Maximum Equivalent Quantity for a Delivery Point on each day shall be the maximum Dekatherms which Shipper may request Transporter to make available at each Delivery Point, as set forth in Schedule 2 appended to the Gas Transportation Contract between Shipper and Transporter. The total of the Maximum Equivalent Quantities for all Delivery Points for a Shipper shall be the thermal equivalent of the total of the Maximum Input Quantities for all Receipt Points for the Shipper.

**3. Fuel and Use Quantities.**

a. *Fuel and Use Quantity.* The Fuel and Use Quantity shall be equal to the product of the applicable Fuel and Use Factor and the Input Quantity.

b. *Fuel and Use Factor.* The Fuel and Use Factor shall be the applicable percentage set forth on currently effective rate sheet(s) for the applicable Rate Schedule, as such may be revised from time to time based upon the determination by Transporter of changes in its fuel and use requirements.

**4. Transportation Commodity Rates.**

a. *Maximum Unit Commodity Rate.* The Maximum Unit Commodity Rate for each Dekatherm of Input Quantity at each Receipt Point for transportation to each Delivery Point shall be the highest applicable dollar amount that Transporter is permitted to charge Shipper under the applicable Rate Schedule.

b. *Minimum Unit Commodity Rate.* The Minimum Unit Commodity Rate for each Dekatherm of Input Quantity at each Receipt Point for transportation to each Delivery Point shall be the lowest applicable dollar amount that Transporter is permitted to charge Shipper under the applicable Rate Schedule.

c. *Discounted Unit Commodity Rate.* The Discounted Unit Commodity Rate shall be the dollar amount per Dekatherm of Input Quantity at any Receipt Point for transportation to any Delivery Point as specified by Transporter in a notice to Shipper, which amount shall be less than the Maximum Unit Commodity Rate but equal to or greater than the Minimum Unit Commodity Rate.

**5. Commencement Date.** The Commencement Date shall be the date on which transportation service begins, as mutually agreed by Shipper and Transporter and set forth in a Gas Transportation Contract, or such later date on which the natural gas facilities required to enable Transporter to render transportation service to Shipper are constructed, installed and made operational, as set forth in Transporter's written notice to Shipper which shall be given at least thirty (30) days in advance of such date, unless Shipper and Transporter agree to a shorter notice period.

**6. Delivery and Receipt Points.**

a. *Delivery Point.* A Delivery Point is a point at which Transporter is authorized to make gas available to or on behalf of Shipper. Transporter's Delivery Point(s) for Shipper shall be those set forth on Schedule 2 appended to the Gas Transportation Contract between Transporter and Shipper, and other mutually agreeable points.

b. *Receipt Point.* A Receipt Point is a point at which Transporter is authorized to accept delivery of natural gas from or for the account of Shipper. Transporter's Receipt Point(s) for Shipper shall be those set forth on Schedule 1 appended to the Gas Transportation Contract between Transporter and Shipper or other mutually agreeable points.

**7. Rate Schedules.**

a. *Rate Schedules FTS.* Rate Schedule FTS shall mean Rate Schedule FTS of Transporter's FERC Gas Tariff, as in effect, and as such may be revised from time to time, or any superseding rate schedule(s).

b. *Rate Schedules ITS.* Rate Schedule ITS shall mean Rate Schedule ITS of Transporter's FERC Gas Tariff, as in effect, and as such may be revised from time to time, or any superseding rate schedule(s).

**8. Day.** The term "day" shall mean a period of 24 consecutive hours, beginning and ending at 9:00 a.m. Central Clock Time.

**9. Month.** The term "month" shall mean the period beginning at 9:00 a.m. Central Clock Time on the day of a calendar month and ending at the same time on the day of the next succeeding calendar month.

**10. Billing Month.** The term "billing month" shall mean that month of service hereunder which immediately precedes the month in which Transporter is obligated to render a bill for such service.

**11. Contract Year.** The term "contract year" shall mean the period commencing on the date deliveries commence under a Gas Transportation Contract and ending at 9:00 a.m. Central Clock Time on the and each subsequent anniversary date thereof.

12. **Cubic Foot.** The term "cubic foot" shall mean the volume of dry gas which occupies one cubic foot when such gas is at a temperature of sixty degrees Fahrenheit and at a pressure of 14.73 pounds per square inch absolute.
13. **Mcf.** The term "Mcf" shall mean 1,000 cubic feet of gas.
14. **British thermal unit or Btu.** The definition of one BTU is the quantity of heat that must be added to one pound (avoirdupois) of pure water to raise its temperature from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit under standard pressure conditions.
15. **Dekatherm.** One Dekatherm shall mean 1,000,000 Btu's.
16. **psig.** The term "psig" shall mean pounds per square inch gauge.
17. **Total heating value.** The Number of BTUs produced by combustion at constant pressure of the amount of gas that will occupy a volume of one cubic foot at 60 degrees Fahrenheit at the reference base pressure with air at the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion is condensed to the liquid state.
18. **Thermally Equivalent Quantity.** "Thermally equivalent quantity" shall mean an equal number of Dekatherms of Gas.
19. **Quantity or Quantities.** "Quantity" or "Quantities" shall mean a unit or units of measurement in or Mcfs, as the case may be Dekatherms.
20. **Pro Rata Share.** "Pro Rata Share" shall mean the ratio that the Quantity of Gas scheduled to be received by Transporter, from or for the account of Shipper, bears to the total Quantity of Gas scheduled to be received by Transporter from all Shippers for transportation in the System during any given time period (day, month, year).
21. **Gas.** The term "gas" shall mean natural gas of the quality specified in Article IV of the General Terms and Conditions.
22. **Transportation.** The term "transportation" shall mean the transmission of gas, whether by exchange, backhaul or any other actual or constructive method or movement.
23. **Shipper.** The term "Shipper" shall mean the person that has executed a Firm or Interruptible Transportation Service Agreement with Transporter for transportation service hereunder or, as the context may require, any person requesting service hereunder.
24. **Operator.** "Operator" shall mean the entity or entities, other than Transporter, designated by Transporter to operate the System.
25. **Party.** "Party" shall mean Shipper or Transporter and the term "Parties" shall mean Shipper(s) and Transporter.
26. **Person.** "Person" shall mean an individual, a corporation, voluntary association, joint stock company, business trust, partnership or other entity.
27. **System.** "System" shall mean the pipeline and all related facilities located in the United States and owned by Transporter at the time, including but not limited to the compressors, regulators, meters and support facilities in the United States.

**28. Company Used Gas.** "Company Used Gas" shall mean the Quantity of Gas, including compressor fuel, used in the operations of the System. All Company Used Gas shall be deemed to have a Btu content per cubic foot equal to the weighted average of all gas delivered to the System during any given time period (day, month, year).

**29. Unaccounted For Gas.** "Unaccounted For Gas" shall mean the quantity of gas furnished by Shipper and lost from the System during any given time period (day, month, year) which Quantity shall include, but shall not be limited to, gas lost as a result of an event of force majeure, which gas cannot be reasonably attributed to one or more Shippers. In the event that gas lost as a result of an event of force majeure can be reasonably attributed by Transporter to any one or more Shippers, the Quantity therefore shall be deducted in determining the Quantity of gas to be delivered to such Shippers and such deduction will not be considered part of a Shipper's Pro Rata Share of Unaccounted For Gas. All Unaccounted For Gas during any given time period (day, month, Year) shall be deemed to have a Btu content per cubic foot equal to the weighted average of the Btu content of all gas received by Transporter during such time period.

**30. Commission or FERC.** The terms "Commission" or "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency.

**31. Operator Inclusion.** For purpose of these General Terms and Conditions, Transporter shall also include any Operator of the System.

**32. NAESB.** North American Energy Standards Board.

## **II. PRESSURES, DELIVERY AND RECEIPT POINTS**

1. Transporter shall make available to each Shipper one or more Receipt Points and one or more Delivery Points, the exact number and location to be determined by mutual agreement between Transporter and Shipper. The Receipt Point(s) at which Transporter will accept gas from Shipper or for Shipper's account shall be those set forth on Schedule 1 appended to the Gas Transportation Contract(s) between Transporter and Shipper or other mutually agreeable points. Such Schedule 1 shall also set forth the Maximum Input Quantity and maximum and minimum delivery pressures applicable to each such Receipt Point. The Delivery Point(s) at which Transporter will make gas available to or on behalf of Shipper shall be those set forth on Schedule 2 appended to the Gas Transportation Contract(s) between Transporter and Shipper or other mutually agreeable points. Such Schedule 2 shall also set forth the Maximum Equivalent Quantity and maximum and minimum delivery pressure applicable to each such Delivery Point.

2. The delivery pressure of natural gas delivered to a Receipt Point shall not be less than the minimum pressure set forth for the Receipt Point on the effective Schedule 1 appended to the Gas Transportation Contract between Transporter and Shipper. Transporter shall not be obligated to accept gas at pressures greater than the maximum delivery pressures set forth in Schedule 1.

3. Upon written consent of both Shipper and Transporter, the effective Schedule 1 appended to each Gas Transportation Contract between Transporter and Shipper may be revised from time to time in order to reflect mutual agreeable additions or deletions of Receipt Points or changes in the Maximum Input Quantities or delivery pressures applicable to Receipt Points. Additions or deletions of Receipt Points and/or changes in the Maximum Input Quantities or delivery pressures applicable to Receipt Points shall be considered new transactions.

4. The delivery pressure of natural gas made available by Transporter to or on behalf of Shipper at a Delivery Point shall not be less than the minimum pressure set forth for each Delivery Point on the effective Schedule 2 appended to the Gas Transportation Contract between Transporter and Shipper. Transporter shall not be obligated to make deliveries at pressures greater than those set forth in Schedule 2.

5. Upon written consent of both Shipper and Transporter, effective Schedule 2 appended to each Gas Transportation Contract between Transporter and Shipper may be revised from time to time in order to reflect mutually agreeable additions or deletions of Delivery Points or changes in the Maximum Equivalent Quantities or maximum or minimum delivery pressures applicable to Delivery Points. Additions or deletions of Delivery Points and/or changes in the Maximum Equivalent Quantities or delivery pressures applicable to Delivery Points shall be considered new transactions.

### **III. DELIVERIES AND RECEIPTS**

1. Shipper shall take delivery of gas at uniform hourly rates of flow, when operationally feasible, throughout each day and month for each Delivery Point.

2. On account of variations due to the inability of Transporter or Shipper to maintain more precise control, the daily Input Quantity for each Receipt Point shall be subject to an allowable variation of not more than ten (10) percent or 50 Dekatherm, whichever is greater, either above or below the scheduled daily Input Quantity for each such Receipt Point, and daily deliveries shall be subject to an allowable variation of not more than ten (10) percent or 50 Dekatherm, whichever is greater, either above or below the Equivalent Quantity for each Delivery Point for each day.

3. If on any day all or part of the gas made available by Transporter to or on behalf of Shipper at any Delivery Point is not accepted pursuant to the provisions of this Tariff, Transporter may, in its sole discretion, curtail further receipts of gas from or for the account of Shipper at one or more Receipt Points by an amount equivalent to that which was not accepted from Transporter, adjusted for Fuel and Use Quantities. Any curtailment in accordance with this paragraph shall have no effect on Shipper's obligation to pay Transportation Demand Charges, if applicable.

### **IV. QUALITY**

1. **Heating Value.** The gas to be delivered to Transporter at the Receipt Point(s) and made available to or on behalf of Shipper at the Delivery Point(s) under this Tariff shall be natural gas having

a total heating value of not less than 975 Btus, nor more than 1,080 Btus, per cubic foot unless Transporter and Shipper otherwise agree.

2. **Freedom from Objectionable Matter.** The natural gas to be delivered to Transporter at the Receipt Point(s) and made available to or on behalf of Shipper at the Delivery Point(s) under this Tariff:

a. shall be commercially free (at prevailing pressure and temperature) from objectionable odors, dust and other solid or liquid matters which might interfere with its merchantability or cause injury to or interference with proper operation of the lines, regulators, meters or other appliances through which it flows;

b. shall not contain more than twenty grains of total sulphur nor more than one quarter grain of hydrogen sulfide per one hundred cubic feet;

c. shall not contain more than two-tenths of one percent (0.2%) by volume of a combined total volume of oxygen, and Shipper shall make every reasonable effort to keep the gas free of oxygen;

d. shall not contain more than two percent (2%) by volume of carbon dioxide and not more than four percent (4%) by volume of total inerts including carbon dioxide and nitrogen components;

e. shall have a temperature of not more than one hundred twenty degrees (120) Fahrenheit; and

f. shall not contain more than seven percent (7%) of entrained water per million cubic feet, at a pressure base of fourteen and seventy-three hundredths (14.73) pounds per square inch and a temperature of sixty degrees (60) Fahrenheit as determined by dew-point apparatus as may be mutually agreed upon; or

g. shall be interchangeable with gas on Transporter's System at the Point of Receipt.

3. **Failure to Conform to Specifications.** If the gas offered for delivery to Transporter at the Receipt Point(s) or made available to or on behalf of Shipper at the Delivery Point(s) has failed at any time to conform to any of the specifications set forth in Section 1 or 2 of this Article IV, then the party receiving such gas (the "receiving party") shall notify the other party (the "tendering party") of such deficiency and thereupon the receiving party may at its option refuse to accept such gas pending correction by the tendering party. Upon the tendering party's failure promptly to remedy any deficiency in quality as specified in Section 1 or 2 of this Article IV, the receiving party may accept such gas and may make changes necessary to bring such gas into conformity with such specifications, and the tendering party shall reimburse the receiving party for any reasonable expense incurred by it in effecting such changes. In no event shall the failure of any gas offered for delivery to Transporter by Shipper or for Shipper's account to conform to any of the specifications set forth in Section 1 or 2 of this Article IV relieve Shipper of Shipper's obligation to pay Monthly Demand Charges, if applicable. In no event shall the failure of any gas made available to or on behalf of Shipper at any Delivery Point(s) to conform to any of the specifications set forth in Section 1 or 2 of this Article IV relieve Shipper of Shipper's obligation to pay the Unit Commodity Rates and, if applicable, Monthly Demand Charges.

4. **Commingling.** Gas received for Shipper's account at the Point(s) of Receipt will be commingled with the gas of other Shippers in the System. Accordingly, the gas delivered by Transporter for the account of Shipper at the Point(s) of Delivery may not be the same molecules as those received

from Shipper for transportation hereunder.

**5. Odorization.** The gas delivered to or for the account of Shipper at the Point(s) of Delivery may be odorized by Transporter by use of an odorant agent of such character as to indicate by a distinctive odor the presence of gas when deemed desirable or necessary by Transporter or when governmental authorities having jurisdiction so require. Whenever odorized gas is delivered, the quality and specifications, as set forth in this Section 5, of such gas shall be determined prior to the addition of an odorant or with proper allowance for changes or additions due to such odorant.

**6. Delivery Pressure.** The delivery pressure for Shipper's Gas at the Point(s) of Delivery shall be at Transporter's line pressure as it may exist from time to time but not less than as specified in the executed service agreement.

#### **V. MEASUREMENT**

Determination of Volume and Total Heating Value. The volume and the total heating value of the gas delivered to Transporter at the Receipt Point(s) and made available to or on behalf of Shipper at the Delivery Point(s) shall be determined as follows:

1. The unit of gas, for the purpose of measurement, shall be one (1) Dekatherm.

2. The volumetric measurement base shall be one (1) cubic foot of dry gas at a pressure base of fourteen and seventy-three hundredths (14.73) psia and at a temperature base of sixty degrees (60) Fahrenheit. (Refer to NAESB Standard 2.3.9)

3. The total heating value of the gas per cubic foot shall be determined for any month by taking the weighted 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 collected during the month or any other method mutually agreed upon by Shipper and Transporter.

4. The Dekatherms delivered shall be determined by multiplying the Mcf delivered by the ratio of the Btu per cubic foot delivered to 1,000. For purposes of this determination, The specific gravity and heating value shall be determined at approximately the same time.

5. The temperature of the gas passing through each meter shall be determined for any day by the continuous use of a recording thermometer so installed that it may properly record the temperature of the gas flowing through each meter. The arithmetical average of the flowing temperature recorded of each hour shown by the recording thermometer shall be used in computing gas volumes.

6. The specific gravity of the gas shall be determined by the use of a recording gravitometer, or by calculation from chromatographic analysis of a sample of gas collected during the month at the Point of Receipt or Point of Delivery, which shall be checked at least once each month, or any other method mutually agreed upon by Shipper and Transporter.

7. The deviation of the natural gas from Boyle's Law shall be determined by the use of the table of formulas published by the American Gas Association Par Research Project NX-19 corrected for carbon dioxide and nitrogen or any superseding applicable tables published by the American Gas Association. Determinations of the molecular percentage of N<sub>2</sub> and CO<sub>2</sub> in the gas shall be made within thirty (30) days after commencement of deliveries and at least quarterly thereafter. The molecular percentage of N<sub>2</sub> and CO<sub>2</sub> thus determined will be used to determine the supercompressibility factors during the ensuing period with corrections for specific gravity, temperature and pressure.

8. The latest issue of Gas Processors Association Publications 2172, "Method for Calculation of Gross Heating Value, Specific Gravity, and Compressibilities of Natural Gas Mixtures from Compositional Analysis," contains the physical factors used to calculate Heating Value and specific gravity from a gas analysis and shall be used as the basis for determining Heat Content.

#### **VI. MEASURING EQUIPMENT**

1. **Measuring Station.** Transporter will install, maintain and operate at its expense, at or near the Delivery Point(s), a measuring station properly equipped with meters and other necessary measuring equipment by which the volume of natural gas made available to or on behalf of Shipper shall be measured and determined in accordance with Article V of these General Terms and Conditions.

a. *Orifice Meters.* Orifice meters, if used, shall be installed and gas volumes computed, in accordance with American National Standard Bulletin ANSI/API 2530, Orifice Metering of Natural Gas, dated June 1979, and any modification and amendments thereof, and may include the use of flange connections and straightening vanes.

b. *Diaphragm, Rotary, or Turbine Meters.* Diaphragm, rotary, or turbine meters, if used, shall be installed and gas volumes computed in accordance with generally accepted industry practices.

c. *Electronic Flow Computers.* If the use of electronic or other types of flow computers is mutually agreeable to Transporter and Shipper, they may be installed and volumes calculated in accordance with generally accepted industry practices.

d. *New Measurement Techniques.* If at any time a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted upon mutual agreement thereto by the parties.

2. **Check Measurement Equipment.** Shipper may install, maintain and operate, at its own expense, such check measuring equipment as desired, provided that such equipment shall be so installed as not to interfere with the operation of Transporter's measuring equipment at or near any Delivery Point.

**3. Right to be Present.** Transporter and Shipper shall have the right to have representatives present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating or adjusting done in connection with the other's measuring equipment used in measuring or checking the measurement of deliveries of gas under any Gas Transportation Contract between Transporter and Shipper. The records from such measuring equipment shall remain the property of their owner, but upon request each will submit to the other its records and charts, together with calculations, therefore, for inspection and verification, subject to return within thirty (30) days after receipt thereof.

**4. Care Required.** All installations of measuring equipment applying to or affecting deliveries of gas 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 by both parties in the installation, maintenance and operation of pressure regulating equipment or compressors so as to prevent any inaccuracy in the determination of the volume of gas delivered under any Gas Transportation Contract.

**5. Calibration and Test of Meters.** The accuracy of Transporter's measuring equipment shall be verified by Transporter at reasonable intervals, and if requested, in the presence of representative of Shipper, by Transporter shall not be required to verify the accuracy of such 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 expense of any such special test, if called on, shall be borne by Shipper if the measuring equipment tested is found not to be in error by more than two (2) percent.

If upon test, any measuring equipment, including recording calorimeters, is found to be in error by not more than two (2) percent, previous recording of such equipment shall be considered accurate in computing deliveries of gas, but such equipment shall be adjusted at once to record accurately.

If upon test, any measuring equipment shall be found to be inaccurate by an amount exceeding two (2) percent, at a recording corresponding to the average hourly rate of flow for the period since the last preceding test, then any previous recordings of such equipment shall be corrected to zero error for any period which is known definitely, but in case the period is not known 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 to exceed a period of sixteen (16) days.

**6. Correction of Metering Errors - Failure of Meters.** In the event a meter is out of service or registering inaccurately, the volume of gas delivered shall be determined:

a. by using the registration of any check meter or meters, 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, tests or mathematical calculation; or in the absence of both (a) and (b), then;

c. by estimating the quantity of delivery by deliveries during periods under similar conditions when the meter was registering accurately.

7. Preservation of Metering Records. Transporter and Shipper shall each preserve for a period of at least one (1) year all test data, charts and other similar records.

8. Exchange of Measured Volume Audit Statements. For exchange of measured audit statements refer to NAESB Standard 2.1.4.

#### VII. BILLINGS AND PAYMENTS

1. Monthly Billing Date. The imbalance statement should be rendered prior to or with the invoice, and the transportation invoice should be prepared on or before the 9th business day after the end of the production month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site. Electronic invoicing functions should use common codes as defined by the NAESB Common Codes Task Force.

2. Monthly Payment Date. Shipper shall pay Transporter, at a bank designated by Transporter, so that payment is received and Transporter has available funds there from on or before the last day of each month, the full amount billed by Transporter to Shipper under paragraph 1 of this Article VII for the immediately preceding month in a statement for such month according to the measurement, computations and prices provided in this Tariff and the Gas Transportation Contract between Transporter and Shipper.

3. The imbalance statement should be rendered prior to or with the invoice, and the transportation invoice should be prepared on or before the 9th business day after the end of the production month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site. Transporter may at its option render an estimated statement to Shipper, which statement shall contain Transporter's best estimate of the total amount payable to Transporter by Shipper under the Gas Transportation Contracts(s) between Transporter and Shipper for the preceding month. Shipper shall pay to Transporter the full amount of such estimated statement on or before the last day of each month provided, however, that Transporter shall render to Shipper a final statement no later than the twentieth (20th) day of the month in which such estimated statement is rendered, unless Transporter's failure to do so is due to the fault of Shipper, in which case Transporter shall render to Shipper a final statement at such time as Transporter is able to do so. Any difference between the estimated statement and the final statement shall be added to or deducted from, as appropriate, Transporter's next succeeding monthly statement to Shipper if any and if not the Party having the debt shall pay to the other Party an amount equal to such debt.

**4. Remedies for Nonpayment.** Should Shipper fail to pay any or all of the amount of any bill as herein provided when such amount is due, Shipper shall pay a Charge for Late Payment which shall be included by Transporter on the next regular monthly bill rendered to Shipper. Such Charge for Late Payment shall be determined by multiplying (a) the unpaid portion of the bill by (b) the ratio of the number of days from the due date to the date of actual payment to 365 by (c) the applicable rate of interest calculated in accordance with Section 154.67 of the Commission's regulations. If such failure to pay continues for thirty (30) days after payment is due, Transporter, in addition to any other remedy it may have under the Gas Transportation Contract, may, after any required application to and authorization by the Federal Energy Regulatory Commission, suspend further transportation of gas until such amount is paid, and if such default continues for thirty (30) additional days, Transporter may thereafter, in addition to any other remedy it may have under the Gas Transportation Contract, terminate said contract in accordance with the provisions of Section 4 of Article XII hereof, provided, however, that if Shipper in good faith shall dispute the amount of any bill or part thereof and shall pay Transporter such amount as it concedes to be correct 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, with respect to such non-payment, be entitled to seek to suspend further delivery of gas unless and until default be made in the conditions of such bond.

**5. Adjustment of Underpayment, Overpayment or Error in Billing.** If it shall be found that at any time or times Shipper has been overcharged or undercharged in any form whatsoever under the provisions of the Gas Transportation Contract and Shipper shall have actually paid the bills containing such overcharge or undercharge, then within thirty (30) days after the final determination thereof, Transporter shall refund the amount of any such overcharge, and Shipper shall pay the amount of any such undercharge, provided, however, that interest calculated in accord with Section 4 of this Article VII shall apply to any undercharge not paid within thirty (30) days from the date of Transporter's notification to Shipper of the amount of the undercharge. In the event an error is discovered in the amount billed in any statement rendered by Transporter, such error shall be adjusted within thirty (30) days of the final determination thereof provided that claim therefor shall have been made within sixty (60) days from the date of discovery of such error but, in any event, within twenty-four (24) months from the date of payment.

**6. Right of Examination.** Both Transporter and Shipper shall have the right to examine at any reasonable time the books, records and charges of the other to the extent necessary to verify the accuracy of any statement, chart or computation made under or pursuant to the provision of this Tariff or the Gas Transportation Contract between Transporter and Shipper.

**7. Invoicing Standards.** 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.

**VIII. POSSESSION OF GAS**

1. As between the parties to the Gas Transportation Contract, Transporter shall be deemed to be in control and possession of the gas deliverable thereunder from the time it is delivered to Transporter at the Receipt Point(s). Prior to the time gas is delivered to Transporter at the Receipt Point(s) and after such gas is made available to or on behalf of Shipper at the Delivery Point(s), Shipper shall be deemed to be in control and possession thereof.

2. Shipper shall have no responsibility with respect to any gas deliverable under the Gas Transportation Contract after it is delivered to Transporter at the Receipt Point(s) until it is made available to or on behalf of Shipper at the Delivery Point(s) or on account of anything which may be done, happen or arise with respect to such gas after it is delivered to Transporter at the Receipt Point(s) and before it is made available to or on behalf of Shipper at the Delivery Point(s), and Transporter shall have no responsibility with respect to such gas before it is delivered to Transporter at the Receipt Point(s) or after it is made available to or on behalf of Shipper at the Delivery Point(s) or on account of anything which may be done, happen or arise with respect to such gas before it is delivered to Transporter at the Receipt Point(s).

3. From the time gas is delivered to Transporter at the Receipt Point(s), Transporter shall have the unqualified right to commingle such gas with other gas in Transporter's natural gas transmission system.

**IX. WARRANTY OF TITLE TO GAS**

1. Except as otherwise provided herein, it is expressly understood that title to all natural gas tendered to Transporter at the Receipt Point(s) for transportation shall be held by Shipper. It is further understood that Shipper will indemnify Transporter and save it harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of claims of any or all persons, entities and /or agencies to the said gas or to royalties, taxes, license fees or charges thereon.

2. Transporter hereby expressly disclaims that it has or will have title to any gas to be transported to or on behalf of Shipper.

3. Shipper shall indemnify and save harmless Transporter and its officers, agents and employees from and against all liability, losses, damage, claims, actions, suits, debts, demands, accounts, costs and expenses, including injury or death arising from or out of or in any way connected with the quality, use or condition of the Gas after delivery from the System for the account of the Shipper. Transporter shall not be responsible for any losses or shrinkage of Gas during transportation in the system, except in the case of willful misconduct or gross negligence on the part of Transporter, and its officers, agents or employees.

4. Transporter and Shipper each assumes responsibility and liability for the installation, maintenance and operation of its respective properties and shall indemnify and save harmless the other Party from and against all liability, losses, damages, claims, actions, suits, debts, demands, accounts, costs and expenses, including injury or death arising from or out of any act or accident resulting from the installation, presence, maintenance and/or operation of the property and equipment of the indemnifying Party.

**X. OPERATING INFORMATION, ESTIMATES, NOMINATION, SCHEDULING AND BALANCING**

1. Shipper shall provide Transporter with all information and material required by Transporter to calculate and verify Shipper's Input Quantity and the quantity of gas taken by the quality specification and the components of both Shipper's Input Quantity and the quantities of gas taken by Shipper at the Delivery Point(s) each day.

2. At Transporter's request, any Shipper, which has executed a Gas Transportation Contract with Transporter wherein Transporter agrees to transport gas on behalf of Shipper, will furnish to Transporter estimates of the daily, monthly, and annual quantities of natural gas which Shipper desires Transporter to transport for Shipper.

3. At least ten (10) days prior to commencement of initial deliveries under an executed service agreement, Shipper shall furnish Transporter with a written estimate showing by Point(s) of Receipt and Point(s) of Delivery the estimated daily quantities of gas it desires Transporter to transport on its behalf during the first twelve (12) months of transportation service under the executed service agreement.

4. **Nominations.** Shipper shall give notice by the Customer Activity Web page utilized by transporter, telephone, or telecopy to Transporter in which Shipper desires transportation service to be rendered by nominating under the applicable rate schedule the Dekatherms of gas Shipper desires to tender at the Point(s) of Receipt and Point(s) of Delivery for transportation during such next succeeding month.

Transporter shall advise Shipper as stated above, prior to the start of each day for which nominations are made, of the Dekatherms which Transporter will schedule and accept at the Point(s) of Receipt for transportation, and deliver at the Point(s) of Delivery after transportation, which quantity shall be scheduled the Dekatherms unless operating conditions require adjustment thereof.

Nominations received from Shippers for any day under Rate Schedule FTS shall be used to calculate the amount of capacity available for transportation under Rate Schedule ITS for such day. Transporter will evaluate all timely nominations in light of the estimated demand for firm service and will schedule interruptible service for such day up to the level of available capacity. Prior to the start of the day for which interruptible nominations are made by a Shipper, Transporter will notify such Shipper(s) of the interruptible amount scheduled for delivery for such day.

All Transportation Service Providers should support the following standard nomination cycles:

(i) The Timely Nomination Cycle: 11:30 a.m. for nominations leaving control of the nomination party; 11:45 a.m. for receipt of nominations by the transporter; noon to send Quick Response; 3:30 p.m. for receipt of completed conformations by transporter from upstream and downstream connected parties; 4:30 p.m. for receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).

(ii) The Evening Nomination Cycle: 6:00 p.m. for nominations leaving control of the nomination party; 6:15 p.m. for receipt of nominations by transporter; 6:30 p.m. to send Quick Response; 9:00 p.m. for receipt of completed conformations by transporter from upstream and downstream connected parties; 10:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the day prior to flow).

Scheduled quantities resulting from an Evening Nomination that does not cause another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped should be effective at 9:00 a.m. on gas day; and when an Evening Nomination causes another Service Requester on the subject Transportation Service Provider to receive notice that it is being bumped, the scheduled quantities should be effective at 9:00 a.m. on gas day.

(iii) The Intraday 1 Nomination Cycle: 10:00 a.m. for nominations leaving control of the nomination party; 10:15 a.m. for receipt of nominations by the transporter; 10:30 a.m. to send Quick Response; 1:00 p.m. for receipt of completed confirmations by transporter from upstream and downstream connected parties; 2:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties), (central clock time on the gas day). Scheduled quantities resulting from Intraday 1 Nominations should be effective at 5:00 p.m. on gas day.

(iv) The Intraday 2 Nomination Cycle: 5:00 p.m. for nominations leaving control of the nominating party; 5:15 p.m. for receipt of nominations by the transporter; 5:30 p.m. to send Quick Response; 8:00 p.m. for receipt of completed confirmations by transporter from upstream and downstream connected parties; 9:00 p.m. for Transportation Service Provider to provide scheduled quantities to affected shippers and point operators (central clock time on the gas day). Scheduled quantities resulting from Intraday 2 Nominations should be effective at 9:00 p.m. on gas day. Bumping is not allowed during the Intraday 2 Nomination Cycle.

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

(vi) Model: For the model please refer to Standard 1.3.2.

(Refer to NAESB Standards 1.3.3 through 1.3.7, 1.3.19, 1.3.21, 1.3.23, 1.3.35 through 1.3.38, 1.3.45 through 1.3.77 and 1.3.79.)

5. Intra-day nominations. Transporter shall give scheduling priority to an intraday nomination submitted by a firm shipper over nominated and scheduled volumes for interruptible shippers. Transporter shall provide the interruptible shipper with advance notice of any reduction resulting from an intraday nomination by a firm shipper. Transporter shall notify the interruptible shipper whether penalties will apply on the day its volumes are reduced. (Refer to NAESB Standards 1.1.17, 1.1.18, 1.1.20, 1.1.21, 1.1.22, 1.2.10, 1.2.11, 1.2.12, 1.3.8, 1.3.9, 1.3.11, 1.3.13, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.32, 1.3.35 through 1.3.77, and 1.3.79.)

6. Fuel reimbursement. (Refer to NAESB Standards 1.3.15 and 1.3.16).

7. Pooling. (Refer to NAESB Standards 1.3.17, 1.3.18, 1.3.20-77, and 1.3.79).

8. Allocations and flowing gas procedures. (Refer to NAESB Standards 2.3.2 through 2.3.8, 2.3.10 through 2.3.15, 2.3.17-23, 2.3.25-35, and 2.3.40-64). PDA data elements should be standardized. List of allocation methodology types agreed upon:  
Ranked, Pro Rata, Percentage, and Swing.

9. Balancing. It is recognized that the Parties are unable to control exactly the quantity of gas received and delivered hereunder on any day and that the receipts and deliveries by Transporter may vary above or below the quantity scheduled on any day. Such variations shall be kept to a minimum permitted by operating conditions and shall be balanced at the Point(s) of Receipt and/or Delivery as soon as practicable. Upon termination of the service agreement, any then existing imbalance between receipts by Transporter from Shipper, less Shipper's Pro Rata Share of Company Used Gas and Unaccounted For Gas and Transporter's deliveries to Shipper or for Shipper's account, shall be brought into balance within sixty (60) days of the termination of the contract Transporter shall not be obligated to deliver to Shipper on any day a greater quantity of gas than it has received from Shipper on such day, reduced by Shipper's Pro Rata Share of any Company Used Gas and Unaccounted For Gas.

10. Transporter shall keep accurate records of the quantities of gas scheduled for transportation and any imbalances, which records shall be made available to Shipper at its request.

11. For Data Dictionary Standards Refer to NAESB Standards 1.4.1 through 1.4.7, 2.4.1 through 2.4.16)

12. A Shipper which has been awarded firm capacity in a capacity release may submit a nomination using such capacity at the earliest available nomination opportunity pursuant to NAESB standard 1.3.2..If transporter requires a replacement shipper to enter into a contract, the contract must be issued within one hour after the pipeline has been notified of the release.

#### XI. OTHER OPERATING CONDITIONS

1. In no event shall Transporter be required to accept a request for transportation service for a quantity of gas which Transporter cannot meter with reasonable accuracy at the Receipt or Delivery Points for which Shipper is requesting service. If Shipper's request for transportation service involves a quantity which Transporter cannot meter with reasonable accuracy at the requested Receipt or Delivery Point, Transporter will promptly so inform Shipper and advise Shipper of the minimum quantity that can be metered with reasonable accuracy at the proposed Receipt and Delivery Points

2. Shipper shall make all necessary arrangements with other parties at or upstream of the Receipt Point(s) where natural gas is delivered to Transporter by Shipper or for Shipper's account, which arrangements shall be compatible with Transporter's system operations and coordinated with Transporter's dispatchers.

3. Transporter shall not be required to render transportation service on behalf of Shipper in the event that all facilities necessary to render such service do not exist at the time such service is requested.

4. Shipper shall reimburse Transporter:

(a) For the costs of any facilities, other than facilities included in Transporter's general system, installed by Transporter with Shipper's consent to receive, measure, transport or deliver natural gas for the account of Shipper;

(b) For any and all filing and approval fees required in connection with the Gas Transportation Contract(s) between Transporter and Shipper that Transporter is obligated to pay to the FERC or any other governmental authority having jurisdiction; and

(c) Any reimbursement due Transporter by Shipper pursuant to this Section 4 shall be due and payable to Transporter within ten (10) days of receipt by Shipper of Transporter's invoice(s) for same.

5. Subject to the requirements of Section 7 of the Natural Gas Act, Transporter shall not be required to render or to continue to render transportation service on behalf of any Shipper that has applied for bankruptcy under the Bankruptcy Code or on behalf of any Shipper which, at Transporter's request, fails within a fifteen (15) day period to demonstrate and maintain credit worthiness, provided however, that Transporter shall render or continue to render transportation service for any such Shipper which prepays for such service or which, upon fifteen (15) days notice by Transporter, furnishes good and sufficient security bond or other good and sufficient security as Transporter in its reasonable discretion deems acceptable, of a continuing nature and in an amount equal to the cost of performing the transportation service request for a two (2) month period.

6. Transporter shall not be required to render transportation service on behalf of any Shipper which fails to comply with any or all of the terms of the applicable Rate Schedule under which such service is rendered on behalf of such Shipper and with these General Terms and Conditions and the terms of the Gas Transportation Contract(s) between Transporter and Shipper.

#### **XII. FORCE MAJEURE AND REMEDIES**

1. **Relief from liability.** Neither Transporter nor Shipper shall be liable in damages to the other for any act, omission or circumstance occasioned by or in consequence of any event constituting force majeure and, except as otherwise provided in Section 2 of this Article XII, the obligations of Transporter and Shipper shall be excused during the period thereof to the extent affected by such events of force majeure. The term "force majeure" shall mean acts of God, strikes, lockouts, acts of the public enemy, wars, blockages, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers, peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means and any other cause, whether 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 Gas Transportation Contract between Transporter and Shipper or some person or concern not a party thereto, which is not within the control of the party claiming excuse 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 excuse. Under no circumstances will lack of finances be construed to constitute force majeure.

2. **Liabilities not relieved.** Such causes or contingencies affecting the performance of said Gas Transportation Contract 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 contract relieve either party from its obligation to pay the applicable demand charge 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. Shipper's obligation to pay applicable demand charges shall not be suspended by any failure of Transporter to deliver gas to or on behalf of Shipper for any reason or cause whatsoever, whether or not described in this Article XII, except in the event that such failure is caused by the negligence or intentional misconduct of Transporter.

3. In the event Transporter is unable, wholly or in part, to make capacity available for transportation of the Maximum Input Quantities to which all Shippers are entitled under their gas Transportation contracts with Transporter during any month, then Shipper shall be entitled to such proportion of the total impaired transportation capacity as the sum of Shipper's Maximum Input Quantities bears to the sum of the total Maximum Input Quantities for firm transportation service of all Shippers affected by the impairment of transportation capacity. Transporter shall not bear any liability for any curtailment of transportation service to Shipper undertaken pursuant to the provisions of this Section 3 of Article XII and due to one or more of the causes stated in Section 1 of this Article XII or to routine maintenance of Transporter's System. To the extent that curtailment is caused by a matter described in Article XII, any liability that Transporter may have shall be limited to that set forth in said Article XII.

4. **Termination of Gas Transportation Contract.** If either Transporter or Shipper shall fail to perform any of the material covenants or obligations imposed upon it by the Gas Transportation Contract, subject to the applicable provisions of this Tariff, then in such event the other party may at its option terminate said contract 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 contract and declaring it to be the intention of the party giving 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 contract, and if within said period of thirty (30) days the party in default does so remove and remedy said cause or causes, then such notice shall be withdrawn and the contract shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes within said period of thirty (30) days, the contract shall terminate, provided however, that no termination shall occur if the party in default has initiated action to cure such material default but, despite its best efforts, has been unable to complete the cure within such thirty (30) day period and is continuing its action to complete the cure in good faith beyond the end of the thirty (30) day period. Except as specifically set forth in Article V of the Gas Transportation Contract(s) between Transporter and Shipper, the termination or cancellation of any Gas Transportation Contract shall be pursuant to the provisions of this paragraph, shall be without prejudice to the right of Transporter to collect any amounts then due to it for transportation services rendered prior to the time of cancellation and shall be without prejudice to the right of Shipper to receive any transportation service which has not been rendered but for which Shipper has paid prior to the time of cancellation and without waiver of any remedy to which the party not in default may be entitled for violations of the contract.

### **XIII. CURTAILMENT AND INTERRUPTION**

1. Transporter shall have the right to curtail or discontinue shipments, since Transporter may obligate itself to transport, on an interruptible basis, more gas than there may be at times capacity to transport and redeliver through its pipeline, in whole or in part on all or a portion of its system from time to time and at any time, under the following conditions and in the following manner:

2. Operating or Remedial Curtailment or Interruption may be ordered by Transporter at anytime if in Transporter's reasonable judgment capacity or operating conditions so require or it is desirable or necessary to make modifications, repairs or operating changes, the conduct of which will occasion interruption, upon such notice as is reasonable under the circumstances and in the following order, to the extent practicable:

(a) Interruptible transportation service shall be curtailed first, commencing with interruptible service that, at the time notice was given, was at the least rate being charged by Transporter then in effect under Rate Schedule ITS, and then in sequence ascending in the order of rates to the then maximum rate. For service being rendered at the same rate, consideration shall be given to the date service was requested and the request most proximate to the date notice is given by Transporter of the particular curtailment or interruption shall be the first interrupted; next in order shall be service being charged the maximum rate in sequence starting with the service which was requested most proximate to the date notice is given by Transporter.

(b) If, in the sequence of interruptible service curtailments, a capacity allocation becomes necessary among Shippers paying the same rates and having the same date of service request, Transporter shall allocate on a pro rata basis such available capacity to such similarly situated Shippers.

(c) Any interruptible Shipper not paying the maximum rate may be interrupted unless the interruptible Shipper is willing to pay a rate that will match or exceed a competing offer to pay the highest rate then being offered up to the maximum rate for interruptible transportation service. If any interruptible Shipper is notified by Transporter of potential interruption due to another interruptible Shipper's willingness to pay a higher interruptible transportation rate than the discounted interruptible rate

determined between Transporter and the Shipper to which the notice is given, the latter may within five (5) days of such notice elect in writing to pay a higher rate which matches or exceeds the competing offer and thereby retain its priority. If the Shipper does not exercise its right to match or exceed a competing offer within the specified five (5) day period, the Shipper may lose its priority, and it may not thereafter offer to pay the higher rate and reclaim its place in the priority queue.

(d) Firm service shall be the last in order of curtailment or interruption. If firm service interruptions or curtailments become necessary among firm Shippers, capacity will be allocated on a pro rata basis to such similarly situated Shippers.

#### **XIV. SALES LATERAL PIPELINE POLICY**

Transporter will not build or contribute to the cost of building any sales lateral pipelines. Nothing in this policy statement shall require Transporter to file an application for a certificate of public convenience and necessity under Section 7(c) of the Natural Gas Act. Nothing in this policy statement, further, shall prevent Transporter from contesting an application for service filed pursuant to Section 7(a) of the Natural Gas Act. Transporter reserves the right to seek a waiver of the policy set forth herein, for good cause shown during any proceeding before the Commission instituted under Section 7 of the Natural Gas Act.

#### **XV. NOTICES**

Any communication, notice, request, demand, statement or bill provided for in this Tariff or in a Gas Transportation contract or any notice which either Transporter or Shipper may desire to give to the other shall be in writing and shall be considered as duly presented, rendered or delivered when sent, if sent by telegram, cable, telecopy or telex or, if sent by either postpaid registered or ordinary mail, shall be considered as duly presented five days after sending. The material so sent shall be addressed to the pertinent party at its last known post office address or at such other address as either party may designate.

#### **XVI. MODIFICATION**

No modification of the terms and provisions of a Gas Transportation Contract shall be made except by the execution of written contracts signed by Transporter and Shipper.

#### **XVII. NONWAIVER AND FUTURE DEFAULT**

No waiver by either Transporter or Shipper of any one or more defaults by the other in the performance of any provisions of a Gas Transportation contract, the General Terms and Conditions or the applicable Rate Schedule shall operate or be construed as a waiver of any future default or defaults whether of a like or of a different character.

#### **XVIII. SUCCESSORS AND ASSIGNEES**

Any company which shall succeed by purchase, merger or consolidation to the properties, substantially or as an entirety, of Transporter or of the Shipper, as the case may be, shall be entitled to the

rights and shall be subjected to the obligations of its predecessor in title hereunder. Otherwise, no assignment of the executed service agreement or any of the rights or obligations hereunder or any portion of its effective Maximum Daily Contract Demand shall be made. Either party may assign its right, title and interest in and to the executed service agreement to a trustee or trustees, individual or corporate, as security for bonds or other obligations or securities without the necessity of obtaining such consent and without such trustee or trustees assuming or becoming in any respect obligated to perform the obligations of the assignor hereunder.

**XIX. SCHEDULES AND CONTRACTS SUBJECT TO REGULATION**

This Tariff, including these General Terms and Conditions and the respective obligations of the parties under the Gas Transportation Contract(s) are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction and are subject to change from time to time by addition, amendment or substitution as provided by law.

**XX. UNAUTHORIZED MONTHLY OVERDELIVERY AT RECEIPT POINT AND REMEDY**

1. If any Shipper should during any month deliver or cause to be delivered to Transporter at any Receipt Point, under the applicable Rate Schedule and without Transporter's authorization, a quantity of natural gas which exceeds the sum of Shipper's Input Quantity scheduled for such Receipt Point for such month, said quantity shall constitute an unauthorized overdelivery quantity. Within 25 days of the end of the month in which such unauthorized overdelivery quantities accrued Transporter shall send Shipper notice of such unauthorized overdelivery quantities.

2. Within thirty-five (35) days of the date of the Transporter's notice to Shipper that Shipper has tendered or caused to be tendered to Transporter during a month an unauthorized overdelivery quantity, Shipper shall correct such unauthorized overdelivery quantity, provided, however, that Transporter may require that Shipper take corrective action within a shorter period of time if Transporter, in its reasonable discretion, determines that corrective action within such shorter period of time is necessary to protect the integrity of Transporter's system. If Shipper fails to correct such unauthorized overdelivery quantity within the thirty-five (35) day period, then Shipper shall pay to Transporter the overdelivery payment prescribed in Section 3 of this Article XX.

3. In the event the unauthorized overdelivered quantity occurs during a month when the overdelivery does not adversely affect reliability of service and does not adversely impair pipeline integrity, the overdelivery payment payable to Transporter shall be equal to two times the applicable maximum interruptible transportation rate for the system affected plus the Fuel and Use Quantity. In the event the unauthorized overdelivered quantity occurs at a time when it adversely affects reliability of service or adversely impairs pipeline integrity, the overdelivery payment payable to Transporter shall be equal to Two Dollars (\$2.00) per Dekatherm times the unauthorized overdelivery quantity during a month in excess of 1550 Dekatherm or ten percent (10%) of the sum of the Input Quantity scheduled for the applicable month, whichever is greater. The making of this payment shall not relieve Shipper of Shipper's obligation to pay demand charges payable hereunder. Nor shall such payment be considered a substitute for any other remedies available to Transporter or any other Shipper against the offending Shipper for failure to respect its obligation to adhere to the provisions of its contract(s) with Transporter. Shipper shall take delivery of such unauthorized overdelivery quantity within sixty-five (65) days from the date of such notice. If Shipper fails to take delivery of such unauthorized overdelivery quantity within such sixty-five (65) day period, then Shipper shall incur and pay to Transporter the overdelivery payment prescribed herein for such period and each additional thirty (30) day period that such gas remains on the system.

4. The sole remedy of any person for a Shipper's failure during any month to receive delivery of the quantity of natural gas to which it was entitled under its contracts with Transporter, where such failure was caused by the delivery of unauthorized overdelivery quantity by another Shipper, shall be against the offending Shipper, and Transporter shall have no liability to such person.

**XXI. UNAUTHORIZED MONTHLY UNDERDELIVERY AT RECEIPT POINT AND REMEDY**

1. If during any month the sum of Shipper's scheduled Input Quantities for any Receipt Point for each day of such month exceeds the total quantity of gas actually tendered or caused to be tendered to Transporter by or on behalf of Shipper during such month at such Receipt Point said quantity shall constitute an unauthorized underdelivery quantity. Within 25 days of the end of the month in which such unauthorized underdelivery quantities accrued Transporter shall send Shipper notice of such unauthorized underdelivery quantities.

2. Within thirty-five (35) days of the date of the Transporter's notice to Shipper of the unauthorized underdelivery quantity, Shipper shall correct such underdelivery by tendering or causing to be tendered to Transporter the Dekatherms of gas that were underdelivered, provided, however, that Transporter may require that Shipper take corrective action within a shorter period of time if Transporter, in its reasonable discretion, determines that corrective action within such shorter period of time is necessary to protect the integrity of Transporter's system. If Shipper fails to correct such problem within such thirty-five (35) day period, then Shipper shall pay to Transporter the amounts set forth below. In the event the unauthorized underdelivered quantity occurs during a period in which it does not adversely affect reliability of service or adversely impair pipeline integrity, the underdelivery payment to Transporter shall be equal to two times the maximum interruptible transportation rate for the system affected plus the Fuel and Use Quantity. If the unauthorized underdelivery amount occurs during a period in which it adversely affects reliability of service or adversely impairs pipeline integrity, the underdelivery payment to Transporter shall be equal to Five Dollars (\$5.00) per Dekatherm times the unauthorized underdelivery quantity which is in excess of 1550 Dekatherm or ten percent (10%) of the gas actually tendered or caused to be tendered by Shipper during the applicable month, whichever is greater. (Such gas which is less than the 1550 Dekatherm or ten percent (10%) of the gas tendered or caused to be tendered is hereinafter referred to as the Allowable Imbalance Gas) The making of this payment shall not relieve Shipper of Shipper's obligation to deliver to Transporter the Allowable Imbalance Gas. If Shipper fails to deliver to Transporter such Allowable Imbalance Gas within a period of sixty (60) days after the end of the contract term, then Shipper shall pay to Transporter an amount equal to Five Dollars (\$5.00) per Dekatherm times the Allowable Imbalance Gas.

3. The sole remedy of any person for a Shipper's failure during any month to receive delivery of the quantity of natural gas to which it was entitled under its contracts with Transporter, where such failure was caused by the delivery of an unauthorized underdelivery quantity by another Shipper, shall be against the offending Shipper, and Transporter shall have no liability to such person.

**XXII. UNAUTHORIZED MONTHLY OVERRUN AT DELIVERY POINT AND REMEDY**

1. If any Shipper should during any month take or cause to be taken at any Delivery Point, under the applicable Rate Schedule and without Transporter's authorization, a quantity of natural gas which exceeds the sum of Shipper's Equivalent Quantity for such Delivery Point for such month, said quantity shall constitute an unauthorized overrun quantity. Unless authorized by Transporter, all overrun quantities are unauthorized, provided, however, that no gas made available to or on behalf of Shipper at Delivery Point(s) where Transporter has complete and unrestricted control of gas deliveries shall be considered an unauthorized overrun quantity. Within 25 days of the end of the month in which such unauthorized overrun quantities accrued Transporter shall send Shipper notice of such unauthorized overrun quantities.

2. Within thirty-five (35) days of the date of the Transporter's notice, Shipper shall tender or cause to be tendered to Transporter Dekatherms of gas equal to the unauthorized overrun quantity that Shipper took or caused to be taken at the Delivery Point. If Shipper within such thirty-five (35) day period fails to tender or cause to be tendered to Transporter such excess Dekatherms, then Shipper shall pay Transporter the amounts set forth below. If the unauthorized overrun quantity occurs during a period in which it does not adversely affect reliability of service or adversely impair pipeline integrity, the overrun payment to Transporter shall be equal to two times the maximum interruptible rate for the system affected plus the Fuel and Use Quantity. If the unauthorized overrun occurs during a period in which it adversely affects reliability of service or adversely impairs pipeline integrity, the unauthorized overrun payment to Transporter shall be equal to Five Dollars (\$5.00) per Dekatherm times the unauthorized overrun quantity which is in excess of 1550 Dekatherms or ten percent (10%) of the sum of the Equivalent Quantities for the applicable month, whichever is greater. (Such gas that is less than the 1550 Dekatherms or ten percent (10%) of the sum of the Equivalent Quantities for such month are hereinafter referred to as the Allowable Overrun Gas) The making of this payment shall not relieve Shipper of Shipper's obligation to deliver to Transporter the Dekatherms that equal the Allowable Overrun Gas. If Shipper fails to deliver to Transporter such Allowable Overrun Gas within a sixty (60) day period after the end of the contract term, then Shipper shall pay to Transporter an amount equal to Five Dollars (\$5.00) per Dekatherm times the Allowable Overrun Gas.

3. The obligation to make overrun payments for an unauthorized overrun quantity shall not under any circumstances be considered as giving any Shipper the right to take or cause to be taken unauthorized overrun quantities nor shall such payment be considered as a substitute for any other remedies available to Transporter or any other Shipper against the offending Shipper for failure to respect its obligation to adhere to the provisions of its contract(s) with Transporter.

4. Transporter shall have no liability to any person on account of a Shipper's failure on any day to receive delivery of the quantity of natural gas to which it was entitled under its contracts with Transporter where such failure was caused by the taking of an unauthorized overrun quantity by another Shipper.

#### **XXIII. UNAUTHORIZED MONTHLY UNDERRUN AT DELIVERY POINT AND REMEDY**

1. If during any month the sum of Shipper's Equivalent Quantities for each Delivery Point for each day of such month exceeds the gas actually taken by Shipper during such month at any such Delivery Point, said quantity shall constitute an unauthorized underrun quantity. Within 25 days of the end of the month in which such unauthorized underrun quantities accrued Transporter shall send Shipper notice of such unauthorized underrun quantities.

2. Within thirty-five (35) days of the date of the Transporter's notice to Shipper of the unauthorized underrun quantity, Shipper shall correct such unauthorized underrun. If Shipper fails to correct such unauthorized underrun within such thirty-five (35) day period, then Shipper shall pay to Transporter the amounts set forth below. If the unauthorized underrun quantity occurs during a period in which it does not adversely affect reliability of service or adversely impair pipeline integrity, the underrun payment to Transporter shall be equal to two times the maximum interruptible rate for the system affected plus the Fuel and Use Quantity. If the unauthorized underrun occurs during a period in which it adversely affects reliability of service or adversely impairs pipeline integrity, the unauthorized underrun payment to Transporter shall be equal to Two Dollars (\$2.00) times the unauthorized underrun quantity which is in excess of 1550 Dekatherms or ten percent (10%) of the sum of the scheduled Equivalent Quantities for such month, whichever is greater. Shipper shall take delivery of such unauthorized underrun quantity within sixty-five (65) days after such notice. If Shipper fails to take delivery of such unauthorized underrun quantity within such sixty-five (65) day period, then Shipper shall pay to Transporter an amount equal to Two Dollars (\$2.00) per Dekatherm times the unauthorized underrun quantity for such period and for each additional thirty (30) day period that such gas stays on the system.

3. Imbalance penalties hereunder are based upon the difference between actual receipts and actual deliveries, rather than scheduled quantities.

XXIV. INCORPORATION IN RATE SCHEDULES AND GAS TRANSPORTATION CONTRACTS

These General Terms and Conditions are incorporated in and are a part of Transporter's Rate Schedules and gas transportation contracts.

XXV. SERVICE AGREEMENT

Shipper(s) shall enter into a contract with Transporter in the form of a service agreement which will be filed with the FERC. The service request form and executed service contract, including the effective Exhibits 1 and 2, together with these General Terms and Conditions and applicable rate schedules, shall constitute the entire agreement between the parties for gas transportation service and shall only be modified in writing.

XXVI. CREDIT WORTHINESS

Oktex may initiate a credit worthiness re-evaluation for any shipper. Transporter shall not be required to initiate service on behalf of any Shipper or perform or, subject to the receipt of any necessary regulatory authorization, to continue service on behalf of any Shipper who is or has become insolvent or who, at Transporter's request, fails within a fifteen (15) day period to demonstrate credit worthiness, provided, however, Shipper may receive service if Shipper prepays for such service or furnishes good and sufficient security (as determined by Transporter in the exercise of reasonable discretion) in an amount equal to the cost of performing the service requested by Shipper for a two (2) month period. For the purpose of this section, the insolvency of a Shipper shall be evidenced by the filing by Shipper or any parent entity thereof (for purposes of this Section XXVI referred to collectively as "Shipper") of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction over the premises adjudging Shipper bankrupt or insolvent or approving, as properly filed, a petition seeking reorganization, arrangement, adjustment or composition 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. OkTex will comply with NAESB Standards 0.3.3 through 0.3.10.

**XXVII. RELATIONSHIP WITH MARKETING AFFILIATE**

Pursuant to 18 CFR 358.4 (b), OkTex shall post the required information pertaining to marketing affiliates on its web site on the public Internet and update the information within seven (7) business days of any change.

XXVIII. Complaint Procedures

1. Shippers are first encouraged to work with Transporter to resolve problems on an informal basis prior to filing a formal complaint.

2. In the event of an unresolved problem, Shipper should submit a complaint in writing to Transporter at the following address:

OkTex Pipeline Company  
100 W. 5th Street, MD 12-4  
Tulsa, Oklahoma 74103  
Attn: Manager of Contract Administration

The complaint should contain sufficient facts to identify the specific transportation and/or problem involved and an explanation of why, in the Shipper's opinion, the situation gave rise to the complaint. The complaint will be logged pursuant to Section 250.16 of the Commissions regulations, upon receipt by Transporter. Such complaint shall state that it constitutes a complaint pursuant to the procedure.

3. Transporter shall respond to all complaints initially within 48 hours and in writing within thirty (30) days of the date the complaint was logged.

4. If the complaint is not resolved to the Shipper's satisfaction, the Shipper may request formal review by the Vice President of Commercial.

XXIX. VALID REQUEST INFORMATION

The specific information and format for a valid request for transportation service under Rate Schedule FTS and ITS are contained in Section 2.2 of FTS Rate Schedule and Section 2.2 of the ITS Rate Schedule of Transporters Tariff, Original Volume No. 1.

XXX. PROCEDURES TO INFORM SHIPPERS - INFORMATIONAL  
POSTING PAGE AND CUSTOMERS ACTIVITIES WEB PAGE

1. Inquiries related to the capacity at receipt points, on the mainlines, at delivery points and whether such capacity is available from directly from Transporter or by capacity release on Transporter's system should be directed to Transporter's Informational Posting Page.

2. Transporter has established an Informational Posting Page ("IPP") for use by any party, including Shippers and potential shippers. The IPP is available on a nondiscriminatory basis to any party that has compatible equipment for electronic transmission of data, provided that such party agrees to comply with the procedures for access to the IPP and with the procedures for use of the IPP. IPP shall adhere to the NAESB Standards 4.1.16 through 4.1.39, 4.2.1 through 4.2.20, 4.3.5, 4.3.6, 4.3.7, and 4.3.17 through 4.3.92.

3. The IPP when fully operational will provide on-line help, a search function that permits users to locate all information concerning a specific transaction, and menus that permit users to access separately each record in the transportation log, notices of available capacity. The IPP will, to the extent necessary, permit users to electronically download a file(s) from the IPP and to split extremely large files into smaller files prior to such download. Transporter will maintain and retain daily back-up records of the information displayed on the IPP for three (3) years and permit users to review those records, which will be archived and reasonably accessible. Transporter will periodically purge transactions from current IPP files when transactions have been completed. Information on the most recent entries will appear ahead of older information.

4. A user has the option to utilize the IPP for the purposes of (a) requesting service and tracking service agreements; (b) exercising its rights as an existing Shipper of Transporter pursuant to Article XXXIII of the General Terms and Conditions or submitting a bid as a potential shipper of Transporter under such article; or (c) participating in Transporter's capacity release program pursuant to Article XXXIII of the General Terms and Conditions.

5. Transporter shall inform, on a timely basis via the IPP, all interested persons about the availability of firm and interruptible capacity (a) at receipt points; (b) on each pipeline segment, and (c) at delivery points, and whether such capacity is available directly from the Transporter or indirectly from Transporter's capacity release program. Transporter shall maintain both in written form and on its IPP a master receipt point list containing the following information for each pipeline segment. Such information shall be updated promptly when additional pipeline segments or receipt points are added to the system.

- a) Name of Receipt Point;
- b) Meter number of receipt point;
- c) Location (legal description) of receipt point;
- d) Operator name and phone number to the extent available;
- e) Availability of electronic gas measurement;
- f) Receipt point design capacity;
- g) Any firm capacity already assigned at the point;

6. Transporters electronic delivery mechanism (EDM) shall comply with NAESB Standards 4.3.1, through 4.3.3, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.13, and 4.3.15 through 4.3.92.

7. Trading partner agreements and minimum sites shall be in accordance with NAESB Standard 4.3.12. The roles of senders and receivers are defined as specified in NAESB Standard 4.3.14. Security between transporter and trading partners will adhere to NAESB Standard 4.3.15. FORM OF ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT is set forth on effective Sheet No.s 60E through 600.

8. Transporter, on the effective date of and pursuant to Article XXXVIII of the General Terms and Conditions, will post on the IPP for a reasonable time the price, terms and conditions, and names of the parties to all capacity release and assignment agreements existing on that date. All firm capacity holders who have executed such agreements prior to that date must provide such information to the Transporter for posting on the IPP. Such posting is to make those agreements public and not to prompt potential shippers to submit a bid for such capacity. On time stamping shall be in accordance with NAESB Standard 4.3.2, 4.3.9, and 4.3.10.

9. Transporter will provide access to an on-line, read-only copy of its currently effective FERC Gas Tariff, including the General Terms and Conditions via the IPP.

10. Any provisions of this FERC Gas Tariff requiring that these matters be written or in writing are satisfied by either Shipper or Transporter utilizing electronic transmission through the IPP in accordance with the procedures for utilization of the IPP when subsequently verified by a timely signed writing. All other provisions requiring items or information to be written or in writing remain unchanged.

11. In order to access Transporters' Customer Activities Web Page ("CAWP") Shipper must contact Transporter. If requested, Transporter will provide the address, telephone number, and user fees of Transporter's CAWP service provider.

12. Transporter is the exclusive proprietor of the CAWP and of all the copy rights and proprietary interests therein, except insofar as any third party possesses a copyright or proprietary interest in such materials. Shipper will not be virtue of this Article or the executed CAWP Agreement acquire any proprietary interests in the CAWP or its files. Although Transporter is not the proprietor of certain data and information contained in the files of the CAWP, Shipper will use the CAWP for research purposes only and will not publish, broadcast, sell, or use any material received from the CAWP in any manner of fashion that may infringe any copyrights or proprietary interests Transporter or any third party may have in the CAWP and materials included therein.

13. Shipper assumes sole responsibility for all use of the CAWP and/or IPP and hereby indemnifies and holds Transporter harmless against and liability or claim of any person that is attributed to improper use of the CAWP/IPP by Shipper. In no event will Transporter be liable to Shipper for consequential, exemplary, or special damages resulting, in whole or in part, from Shipper's use of the CAWP/IPP.

14. Transporter employees are not authorized to assist Shipper in framing a research request. If, notwithstanding the foregoing, a Shipper requests and/or receives assistance from Transporter employees in framing a search request, such assistance will be at Shipper's risk and Transporter will not have any responsibility or liability arising therefrom. For the purposes of this Article, "framing a search request" shall mean the process by which a Shipper identifies the research problem, selects the words, phrases, or numbers to be searched upon, and determines the relationship to each other of such words, phrases, and numbers and the order in which they are to be submitted.

15. Transporter warrants that, without the express consent of Shipper or as provided for in Article XXXII or XXXIII of the General Terms and Conditions, no Transporter employee or agent will disclose to any third party any information regarding research performed through the use of the IPP by Shipper.

16. For IPP Service Standards refer to NAESB Standards 4.3.6. and 4.3.16.

**XXXI. GAS RESEARCH INSTITUTE ADJUSTMENT AND FERC ANNUAL CHARGE ADJUSTMENT**

1. **GRI Adjustment.** The rates set forth in Rate Schedules FTS and ITS shall be adjusted from time to time to reflect collections to fund the research, development and demonstration programs of the Gas Research Institute (GRI) in accord with the procedures herein specified.

(a) The GRI Adjustments shall apply to all services hereunder except transportation services for gas which is purchased from or transported by another interstate pipeline and is subject to a GRI rate adjustment charge in its effective FERC Gas Tariff.

(b) The current GRI Adjustment shall be the unit amount, adjusted as necessary for heating value and pressure base, which has been approved by the most recent order of the Federal Energy Regulatory Commission approving GRI's research, development and demonstration program.

(c) Within fifteen days of receipt of revenues under the GRI Adjustment. Seller shall remit to GRI the amounts collected less any amounts properly payable to a federal, state or local authority relating to such revenues.

2. **ACA Adjustment.** The rates set forth in Rate Schedules FTS and ITS shall be adjusted from time to time to reflect the annual charge assessed Transporter by the FERC pursuant to Order No. 472 or any other superseding rule or order.

(a) The current ACA Adjustment shall be the unit amount, adjusted as necessary for heating value and pressure base, which the FERC orders to be effective for the fiscal year commencing on the effective date of the adjustment.

(b) Transporter shall retain all revenues collected under this Article XXXI.2. Except as provided by this Article XXXI.2 Seller shall not have the right to seek to recover in any proceeding under Section 4(e) of the Natural Gas Act any such revenues recorded in its FERC Account No. 928.

**XXXII. PROCEDURES FOR AVOIDANCE OF PREGRANTED ABANDONMENT**

1. To the extent a Shipper satisfies the bid matching requirements of this Article XXXII or Transporter and Shipper reach agreement as contemplated by Section 7 of Article XXXII, such Customer may retain its capacity and continue to receive firm service under a long-term firm service agreement under Schedule FTS at its previously agreed rates. If Shipper does not satisfy the bid matching requirements of this Article XXXII or Transporter and Shipper do not reach agreement as contemplated by Section 7 of Article XXXII, Shipper shall no longer have, as the effective date of Transporter's notice of termination and Transporter shall have all necessary abandonment authorizations under the Natural Gas Act. This Article XXXII is not applicable and Shipper shall have no rights hereunder to the extent the long-term service agreement is terminated by Shipper during the restructuring proceedings.

Short-term service agreements under an Rate Schedule FTS are not subject to the abandonment of this Article XXXII. Upon termination of a short-term service agreement, Transporter shall have all necessary abandonment authorization under the Natural Gas Act.

2. Transporter shall give Shipper notice of termination of the long-term service agreement at least ninety (90) but no more than one hundred twenty (120) days prior to the termination date of such agreement. When Transporter provides a notice of termination of a long-term service agreement under Rate Schedule FTS, within ten (10) days of the issuance by Transporter of such notice of termination, Transporter shall post on its IPP the following information:

- (a) Points of Receipt and Points of Delivery,
- (b) the specific quantity available under the terminated contract,
- (c) the date of expiration,
- (d) the current maximum rate applicable to the terminated service.

3. The deadline for the submission of bids from potential shippers, who desire service to be provided in whole or in part by the capacity to be made available upon termination of a long-term service agreement, shall be the last day of the month following the month in which Transporter posts an applicable notice pursuant to Section 2 of this Article XXXII. To be a valid bid, a bid must comply with the bid requirements set forth in Section 4 of this Article XXXII. At the close of such bidding period, Transporter shall select among the valid bids the "best bid", as determined pursuant to Section 5 of this Article XXXII, and shall relay the relevant terms of such "best bid" to the Shipper whose long-term service agreement is being terminated by Transporter. If Shipper elects to match, as determined by Section 6 of this Article XXXII, the "best bid", the Shipper shall be entitled to retain its capacity and continue to receive firm service under a long-term firm service agreement which reflects the matching of the relevant terms of the "best bid." If Shipper does not match the "best bid", then Shipper's existing long-term service agreement shall terminate and Transporter shall have all necessary abandonment authorization under the Natural Gas Act. In the event there is no "best bid" for Shipper to match, Section 7 of the Article XXXII shall determine whether Shipper shall be entitled to retain its capacity and continue to receive service.

4. To be a valid bid, the potential customer must provide all information in the format contained in the applicable Section 2.2 of FTS Rate Schedule of Transporter's Tariff, Original Volume No. 1. In addition, the potential shipper must pay Transporter a bona fide prepayment equal to the lesser of ten thousand dollars (\$10,000.00) or one (1) month's prepayment of the Monthly Demand Charge determined based on the potential shipper's requested price and the desired contractual quantity. If such potential shipper's bid is accepted by Transporter and is not matched by the existing Shipper then, upon commencement of service, the bona fide prepayment shall be credited to such potential shipper's initial invoice for such service rendered. If potential shipper's bid is matched or if the potential shipper fails to satisfy all of Transporter's tariff provisions governing Shipper eligibility, Transporter will refund the potential shipper's bona fide prepayment. The bona fide prepayment will not be refunded if the bid is withdrawn by the potential shipper. Transporter may reject all bids which would require Transporter to discount below a rate and discount term agreeable to Transporter, such rejections shall be made in a nondiscriminatory manner.

5. Transporter shall review all bids from potential shippers received pursuant to Section 3 of this Article XXXII which have not been rejected by Transporter, to determine which bid is the "best bid." For purposes of this Article XXXII, the "best bid" shall be the bid which yields to Transporter the highest net present value. Net present value shall be calculated on the basis of the present value of the Monthly Demand Charge per unit to Transporter. Such net present value shall be determined by discounting the per unit amount using a discount rate equal to Transporter's allowed overall rate of return applied over the term of potential shipper's bid.

6. Upon request from Transporter of the "best bid", Shipper shall have the right for a thirty (30) day period in which to notify Transporter whether the Shipper is willing to match the "best bid." Failure to notify Transporter with thirty (30) day period constitutes a non-revocable waiver of Shipper's right to match the "best bid." In order to match the "best bid" or a rate greater than the rate set forth in the "best bid" and agree to execute a service agreement for a contract term equal to the contract term set forth in the "best bid", provided, however, the maximum rate an existing Shipper must match is the maximum rate Transporter can charge for delivery to the existing Shipper's Point of Delivery.

7. In the event Transporter does not receive any bids pursuant to Section 3 of this Article XXXII or Transporter rejects all bids received due to the fact that such bids were premised on rate discount levels or rate discount terms unacceptable to Transporter, Transporter and Shipper may mutually agree upon the terms and conditions under which Shipper shall be entitled to retain its capacity and continue to receive service. Notwithstanding the preceding sentence, so long as the Shipper agrees to pay Transporter's maximum rate, the Shipper may retain its firm transportation service. In no event shall Transporter and Shipper agree upon terms which yields to Transporter a net present value less than any bid received pursuant to Section 3 of this Article XXXII and rejected by Transporter. In the event 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 one hundred twenty (120) days prior to the date of termination of the long-term service agreement, 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.

#### XXXIII. CAPACITY RELEASE

1. Transporter will provide a firm capacity release mechanism pursuant to this Article XXXIII through which (1) existing Shippers can voluntarily release and assign all or part of their firm transportation capacity rights to a potential shipper that wants to obtain that capacity by contracting with Transporter. Shippers may release and assign their firm transportation capacity on Transporter (Part 284 capacity) only under this Article XXXIII of the General Terms and Conditions. Individually certificated capacity cannot be released hereunder. Transportation service provider will provide volumetric releases in accordance with NAESB Standard 5.3.5.

2. Transporter's Shippers under Rate Schedule FTS are permitted to release their capacity, in whole or in part, on a permanent or temporary basis, on a firm or interruptible basis, provided Shipper complies with the applicable provisions of this Article XXXVIII. Such existing Shipper may propose a potential shipper to obtain its released capacity from Transporter.

3. A firm Shipper that wants to release any or all of its firm capacity must submit (1) a Shipper's Form (Schedule A, attached hereto) to the Transporter, or (2) the information required therein electronically via the CAWP (hereinafter referred to as "Shipper's Notice"). If the Shipper is willing to accept contingent bids for such release capacity, the Shipper shall advise the Transporter in detail of the contingencies (in form, content and operation) that are acceptable. Shipper shall also advise Transporter whether, or for what time period, the next highest bidder will be obligated to acquire the capacity should the winning contingent bidder exercise its option not to take the capacity. Transportation service providers should allow re-releases on the same terms and basis as the primary release (except as prohibited by regulations).

4. Except as provided in Section 17 of this Article XXXVIII, all Shipper's Notice(s) will be posted on Transporter's IPP in accordance with the provisions of Schedule B, attached hereto and shall conform to NAESB Standard 5.3.18. Transporter may take other action to market any released capacity. The Shipper may search for any party to take its capacity both before and after the capacity is posted on the IPP. However, a capacity release cannot be consummated until after it is posted. Contracting is done directly with Transporter. Transporter will post on its IPP its available firm or interruptible capacity and the terms and conditions applicable to such capacity. Potential shippers may elect, in their discretion, to contract for Transporter's uncommitted firm capacity, the released capacity or interruptible capacity. If releasing shipper wishes to recall capacity to be effective for a gas day, the notice should be provided to the transportation service provider and the acquiring shipper no later than 8:00 A.M. Central Clock Time on nomination day. There should be no partial day recalls of capacity. Transportation service providers should support the function of reputting by releasing shippers. The releasing party has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made.

5. Except as provided in Sections 17 and 18 of this Article XXXVIII, a potential shipper that wants to bid for any or all of a Shipper's released capacity must submit (1) a Bidder's Form (Schedule C, attached hereto) to the Transporter or the information required therein electronically via the IPP (hereinafter referred to as "Bid Notice"). All Bid Notices will be posted on Transporter's IPP in accordance with the provision of Schedule B. A potential shipper may withdraw its bid at anytime prior to 5:00 p.m. on the ninth business day prior to the beginning date of the release period. Bids and Offers should be complete before being posted. Only posted offers and bids should be available electronically. Bids should be binding until written or electronic notice of withdraw is received by the capacity release service provider. Offers should be binding until written or electronic notice of withdraw is received by the capacity release service provider. Bids cannot be withdrawn after the bid

period ends. The releasing party has the right to withdraw its offer during the bid period, where unanticipated circumstances justify and no minimum bid has been made. A releasing shipper should not be able to specify an extension of the original bid period or the pre-arranged deal match period, without posting a new release. Once a bid is withdrawn, then the potential shipper may not submit another bid at a lower price; the potential shipper may submit another bid at a higher price, but such bid must be submitted prior to close of bid period.

6. At the close of the Bid Period as provided in Schedule B, Transporter shall select among the bids received pursuant to Article XXXIII from potential shippers the "best bid", as determined by Shipper's designated methodology, or if no methodology specified by the Shipper then the best bid will be determined in accordance with Section 5 of Article XXXII. For the capacity release business process timing model, only the following methodologies are required to be supported by capacity release service providers 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. Other Choices of bid evaluation methodologies) can be accorded similar timeline evaluation treatment at the discretion of the capacity release service provider. However, the capacity release service provider is not required to offer other choices or similar timeline treatment for other choices, nor, is the capacity release service provider held to the timeline should the releasing shipper elect another method of evaluation. Transporter will give any potential shipper found by the Shipper an opportunity to match or exceed the "best bid" via the IPP in accordance with the provisions of Schedule B. If the potential shipper matches the "best bid", the released capacity will be allocated to the potential shipper who submitted the "best bid" first in time. For purposes of the preceding sentence, all "best bids" submitted shall be allocated to the potential shipper who submitted the "best bid" first in time. Releasing shipper has choice to specify dollars and cents or percents of maximum tariff rate in the denomination of bids and all transportation service providers should support this. Once the choice is made by the releasing shipper, the bids should comport with the choice. When the capacity release service provider makes awards of capacity for which there have been multiple bids meeting minimum conditions, the capacity release facilitator should award the bids, best bid first, until all offered capacity is awarded.

7. Transporter shall notify the potential shipper(s) selected in accordance with the provisions of Schedule B of the acceptance of its bid ("winning bid") and provide notice to all bidders of the "winning bid" via the IPP in accordance with the provisions of Schedule B. The notice posted to the IPP will contain all of the information submitted in selected potential shipper's Bid Notice. Reput methods 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. Release quantity should be expressed as a numeric quantity only. Basis for released quantity should be per day for transportation, storage injection, storage withdraw, and a per-release quantity for storage capacity and total release period quantity. Capacity release facilitator should post offers and bids, including prearranged deals, upon receipt unless releasing shipper requests otherwise. If releasing shipper requests a posting time, the capacity release service facilitator should support

such request insofar as it comports with the standard timeline set forth in NAESB Standard 5.2.3. Capacity Release service providers should support the upload of prearranged deals. Replacement shipper initiates confirmations of prearranged deals electronically. For the UPPD bidder confirmation and validation process the transaction will conform to NAESB Standard 5.3.30 through 5.3.58.

8. Transporter will be required to post Shipper's Notices of release as set forth on Schedule B and will maintain such posting until the best bid is determined and posted on the IPP and the winner is notified and to otherwise comply with the provisions of this Article. If the potential shipper satisfied all of Transporter's tariff provisions governing Shipper eligibility and his bid is accepted by the existing Shipper, Transporter will execute the applicable service agreement with the potential shipper in accordance with the provisions of Schedule B. Less than maximum rate transactions will adhere to NAESB Standard 5.3.22. For amendments to individual releases refer to NAESB Standard 5.3.9. For matters regarding operationally available capacity refer to NAESB Standard 5.3.7 and 5.3.17.

9. The service agreement of the existing Shipper releasing capacity will remain in full force and effect, with a portion of the proceeds attributable to any release and assignment credited to the releasing Shipper's Monthly Demand Charge as provided in Section 9 of this Article XXXIII. The releasing Shipper's liability to the Transporter is, however, limited during the term of any capacity release to the applicable demand charges and related surcharges.

10. Capacity release provider will support the following download datasets:

- Firm Transportation - Offer;
- Firm Transportation - Bid Review;
- Firm Transportation - Award Notice;
- Firm Transportation - Withdrawal, which is subdivided:
  - A. Offer Withdrawal;
  - B. Bid Review Withdrawal;
  - C. Award Notice Withdrawal;
- Operationally Available and Unsubscribed Capacity;
- System-Wide Notices:
- Upload of Request for Download of Posted Data Sets;
- Response to Upload of Request for Download of Posted Data Sets;
- Replacement Capacity;
- Note/Special Instruction;

Capacity Release historical data should be made available on a consistent basis from the transportation service provider, which should provide for retrieval of open and closed offers during the FERC archival period.

11. The potential shipper must satisfy all of Transporter's tariff provisions governing Shipper eligibility before it may contract with Transporter for the released capacity. Once the potential shipper enters into a service agreement with Transporter, the potential shipper becomes a Shipper like any other Shipper and is subject to the Transporter's operational provisions as stated in this tariff. In addition, the potential shipper as a Shipper may also release its capacity pursuant to this Article.

12. Transporter shall credit the invoice of the releasing Shipper the proceeds actually received by Transporter attributable to capacity rights released by the releasing Shipper, less any administrative fees set forth in Sections 13 and 14 of this Article XXXIII.

13. Transporter shall not be paid any administrative fee for capacity release hereunder. Refer to NAESB Standard 5.3.23 for the adjustment of tariff rates.

14. Transporter shall be entitled to retain 15% of the Monthly Demand Charge for each month paid by a potential shipper for capacity released by a Shipper when such Shipper requests Transporter takes action to market released capacity beyond posting the information on the IPP, and locates the potential shipper. Transporter will not be compensated, however, if it does not locate the potential shipper, such as when the Shipper has a pre-arranged deal or where a potential shipper accepts a posted Shipper Notice without Transporter actively marketing that released capacity. On the bidding formats, the number of decimal places for offers, bids, and awards should be equal to the number of decimal places in the stated rates per pipeline rate schedule. For purposes of bidding and awarding, maximum/minimum rates specified by the releasing shipper should include the tariff reservation rate and all demand surcharges, as a total number or as stated separately.

15. Once the conditions of this Tariff are met and the terms and conditions specified in the existing Shipper's offer to release are met, the potential shipper and Transporter will execute an applicable service agreement and the potential shipper will then be considered as any other Shipper on Transporter's system. This service agreement will be available via the IPP, and shall be executed and returned to the Transporter in accordance with the provisions of Schedule B.

16. Except as provided in Section 17 of this Article XXXIII, any assignment under this Article XXXIII shall be for monthly periods with a minimum of at least one month, beginning at any time during a month, and shall be for a maximum period expiring on the earlier of (1) the expiration date of these tariff provisions, or (2) the expiration of the agreement that is assigned when the assignment is for the full term of such agreement.

17. A Shipper may release any or all of its firm capacity for any period less than one (1) calendar month without complying with the notification and bidding requirements of this Article XXXIII where such Shipper has located a party to take its capacity, the demand charge does not exceed Transporter's maximum rate, and the release is posted by the Shipper on the IPP not later than forty-eight (48) hours after the release transactions commences. Such Shipper may not rollover, extend, or in any way continue a release under this Section without complying with the notification and bidding requirements of this Article XXXIII and such Shipper may not release to the same party under this Section for a period of thirty (30) days after the release period has ended.

18. A Shipper may release any or all of its firm capacity to a designated potential shipper pursuant to a prearranged agreement between such Shipper and potential shipper without complying with the bidding requirements of this Article XXXIII when the designated potential shipper is paying the Transporter's maximum rate.

Transporter adopts the following NAESB Data Dictionary Standards relating to capacity release: 5.4.1 through 5.4.22.

For the capacity release time line refer to NAESB Standard 5.3.1 and Schedule B.

XXXIV. PENALTY REVENUE CREDITING

1. Except for the penalty payments pursuant to 2 of this section one hundred percent (100%) of all penalty revenues received by Transporter during any applicable month will be credited to non-penalized Shippers. Such credits will be allocated to all non-penalized Shippers under Rate Schedule FTS or ITS, except each penalty revenue credit applicable to unauthorized overrun or underrun penalties shall be allocated only to those specified Shippers who were not assessed an unauthorized overrun or underrun penalty on the day for which such penalty revenues are to be credited. The penalty revenue credits will be allocated to the specified Shippers pro rata in proportion to reservation revenue (total revenue, net of credits from capacity releases, less volumetric charges and all surcharges) received by Transporter from each and all of the specified Shippers for each applicable month. Such penalty revenue credits shall be reflected as a credit billing adjustment to each March billing for credits accrued during the prior calendar year. In the event that such credit billing adjustments would result in a credit total invoice to any Shipper, Transporter will refund the credit billing adjustment to the Shipper by check within 15 days after determination of the amount of the credit due to the Shipper.

XXXV. OPERATIONAL FLOW ORDERS

1. Operational Flow Orders (OFO) will be issued when required for the maintenance or expansion of the system. Notice of an OFO that is not for emergency repair purposes, will be issued no less than three (3) days prior to the scheduled start date of the OFO.
2. Operational Flow Orders (OFO) that are issued on an emergency basis will be communicated as quickly as OkTex is aware of the emergency.
3. Notice of an OFO will include the reason for the OFO, the scheduled start date and time, and the anticipated completion date and time. If the OFO extends longer than twenty-four (24) hours, OkTex will issue updates on the status of the OFO and the expected return to service every twenty-four (24) hours. Notice will be given by facsimile transmission and by posting a notice on the web site.

XXXVI. SEGMENTATION

(a) A Shipper may segment its firm capacity to the extent operationally feasible. In addition, any Shipper may segment its firm capacity in releasing to a Replacement Shipper to the extent operationally feasible. A Shipper segmenting its own firm capacity shall effectuate such segmentation through the nomination process under this Section. A Shipper may release firm capacity on a segmented basis to the extent consistent with this Section by following the procedures set out in Section XXXVIII of these General Terms and Conditions.

(b) For the purposes of this Section, a segmentation of firm capacity (whether of Shipper's own capacity or on release) shall be deemed operationally feasible unless: (i) the segmentation would result in an increase in firm contractual obligation by Transporter on any segment or portion of its system; or (ii) the segmentation would result in a physical haul in a direction opposite to the primary path under the Agreement being segmented, absent a determination by Transporter that it can physically perform the segmentation as requested; (iii) transportation obligation on a segment of pipe with respect to which the transporter is not otherwise obligated to provide transportation service to the shipper requesting segmentation of capacity. Transporter will communicate its determination under (ii) above within two (2) hours after the Shipper requests such segmentation.

(c) In the event a path is segmented, the secondary points upstream or downstream shall be equally available to each Shipper so long as the combined nominations of the releasing and replacement shippers on any segment of the pipeline do not exceed original contract demand.

(d) The direction of flow for path segments must be the same direction of flow for the original path. The Shipper (or Replacement Shipper in the case of a release) may nominate service at Receipt and Delivery Points for the path segment that results in a reverse flow from the original path; however, a physical forward-haul will be subject to maximum forward-haul rates if the original path is physically a back-haul, unless otherwise agreed to in writing. Subject to available capacity, forward-hauls and back-hauls to the same point on a transportation path will be permitted. If a discount applies to the original point, the discount will continue to be applied to the extent a similarly situated shipper is receiving a discount at the alternate point. Transporter will respond to any requests for a discount within two (2) days of such request.

(e) Subject to the availability of firm capacity at the primary point(s), a Shipper, a Replacement Shipper or a Sub-replacement Shipper may change the primary Receipt or Delivery Points listed in the Agreement to new primary point(s) unless Transporter determines that it is not operationally feasible. The new primary point(s) must be within the original primary path of the Agreement if it is all within the same discrete pipeline. Transporter shall not be obligated to reserve firm capacity to reinstate the former primary points upon expiration of the segmentation or the capacity release if such firm capacity has been contracted for by another party.

(f) Transporter will afford a higher priority for mainline capacity to shippers seeking to use mainline capacity outside of their path, unless Transporter can demonstrate that such priority is operationally infeasible or leads to anti-competitive outcomes on its system.

Discounts shall apply to points or transportation paths being segmented only to the extent Transporter explicitly specifies in writing that such discount shall apply.

(g) To the extent segmentation results in an increase of a Shipper's or Replacement Shipper's firm contract rights and Transporter schedules and confirms that increase in firm contract rights, the Shipper or Replacement Shipper that caused such increase in firm contract rights overlap will be subject to an overrun charge pursuant to Section XXI and XXII, except as provided in subsection (d) of this Section XXXVI.

(h) Transporter reserves the right to evaluate and disallow segmentation on its system on a case-by-case basis for those situations that are not operationally feasible and not already described in this Section. Disallowance of segmentation requests will be made on a non-discriminatory basis. Transporter will post in its Internet web site within 10 business days, the explanation for any disallowance of segmentation not specifically described in this Tariff.

#### XXXVII. THIRD PARTY IMBALANCE MANAGEMENT

(A) Transporter shall allow Shippers to obtain imbalance management services from Third Party Providers in accordance with 18 C.F.R. 284.12(c) (2) (iii), subject to the following provisions regarding coordination between Transporter and any Third Party Provider:

(1) The imbalance management services offered and provided by a Third Party Provider will be limited to balancing services for Shippers on Transporter's system.

(2) Transporter will not allow a Third Party Provider to provide an imbalance management service that would cause either a Shipper(s) or Transporter to participate in an activity that is in violation of any other Section of Transporter's FERC Gas Tariff.

(3) Transporter will not allow a Third Party Provider to provide a service which involves the resale and/or repackaging of an existing balancing service offered by Transporter if the resale and/or repackaging would create a greater obligation on Transporter or other Shippers than existed prior to the resale and/or repackaging.

(4) Prior to offering Imbalance Management Services on Transporter's facilities, a Third Party Provider must provide Transporter with the following information:

(a) a clear definition of the operational changes the Third Party Provider will effectuate at points on Transporter's pipeline system in order to offset the operational effects on Transporter of imbalances and quantification of the extent to which such imbalances will be resolved through the provisions of Third Party Imbalance Management Service;

(b) a description of Transporter's facilities to be used by the Third Party Provider to effectuate the imbalance services, including the points of interconnect (delivery and/or receipt points) between Third Party's facilities and Transporter's pipeline system by which the Third Party Provider will effect changes on Transporter's pipeline system, subject to the following:

(i) bi-directional flow must be available at the delivery and/or receipt points to be utilized to provide Imbalance Management Services, and

(ii) the Third Party Provider must have the ability to deliver gas to and receive gas from Transporter's pipeline system in order to provide a physical balancing service, i.e., a -papertransaction will not qualify as a Third Party imbalance management service;

(c) the method by which the Third Party Provider will give a timely notice of the nature and level of imbalance services to be provided by it to Shippers on Transporter's pipeline system on any given day;

(d) a certification by the Third Party Provider that, if applicable, its service will be provided pursuant to all applicable NAESB standards including without limitation time lines, notices and data sets;

(e) a copy of Third Party Provider's Imbalance Services Agreement with Transporter's Shipper;

(5) a Third Party Provider must agree to indemnify Transporter for any costs, expenses or liabilities which might arise or accrue against Transporter due to the imbalance management services provided by the Third Party Provider.

(6) a Third Party Provider must agree to post a performance bond or other evidence of its ability to perform the imbalance services.

(7) a Third Party Provider must execute with Transporter a Transportation or Storage Service Agreement as necessary to perform the Third Party Imbalance Management Service on Transporter's pipeline system.

(8) To the event a Third Party Provider offers an imbalance management service which is subject to the Commission's jurisdiction the Third Party Provider must obtain the necessary Commission approval to provide the service (including, but not limited to, certification, tariff approval, established rates) prior to commencing imbalance management services for Shippers on Transporter's pipeline system.

(9) In the event a Shipper purchases third party imbalance management services, the Third Party Provider fails in whole or in part to provide those services, and an imbalance results, to the extent of such failure Shipper will be deemed to have no imbalance management service and Shipper will pay Transporter a penalty in an amount pursuant to Sections XX, XXI, XXII, XXIII hereof, plus any additional costs incurred by Transporter to provide the services.

XXXVIII. NETTING AND TRADING OF IMBALANCES

When applicable at the end of each Month, to the extent unauthorized quantities are recognized pursuant to Section XX, XXI, XXII, and XXIII, the following transportation fees and netting and trading procedures will apply:

a. Unauthorized Quantities under a Customer's different Service Agreements will be netted together to obtain the Customer's Total Monthly Imbalance ("TMI"). The TMI will be shown with the monthly billings sent to Customers. To facilitate the trading or offsetting of a Customer's TMI, OkTex will post on its electronic bulletin board, on or before the ninth business day of the month, the TMI of any Customer that has not notified OkTex in writing that the Customer does not elect to have that information posted. Customers or their agents may then trade offsetting imbalances to OkTex with Customers or their agents until the close of business on the seventeenth business day of the month ("Trading Period"). Parties that agree to trade all or part of an imbalance must notify OkTex in writing on or before the seventeenth business day of the month; otherwise, such trade shall not be effective. Upon receipt of an Imbalance Trade Confirmation, OkTex will send an Imbalance Trade Notification to the trading parties by noon CCT the next business day. Any Customer's unauthorized quantity remaining after the Trading Period will be charged a penalty pursuant to the provisions of Sections XX, XXI, XXII, and XXIII.

b. The netting of imbalances does not relieve Customer of the obligation to pay all transportation charges for the quantity of gas actually delivered to Customer during the month.

**PRO FORMA  
SERVICE REQUEST FORM**

**REQUEST FOR TRANSPORTATION SERVICE**

Manager, Contract Administration  
OkTex Pipeline Company  
100 W. 5th Street, MD 12-4  
Tulsa, Ok 74103

Attention:

Gentlemen:

\_\_\_\_\_ ("Requesting Shipper") hereby requests transportation service from OkTex Pipeline Company and hereby provides the following information in connection with this report:

(a) Complete legal name of Requesting Shipper:

\_\_\_\_\_

(b) Type of Legal entity and state of formation/incorporation:

\_\_\_\_\_

(c) Type of Company:

_____	Interstate Pipeline
_____	Local Distribution Company
_____	Intrastate Pipeline
_____	Producer
_____	End-User
_____	Marketer
_____	Broker
_____	Other (fill in)

(d) (1) Name of person responsible for this request, address and telephone number through which correspondence or other communications should be directed. Is this person an employee of Requesting Shipper? If not, state relationship to Requesting Shipper.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(d) (2) Name and telephone number of 24 hour contact person for purposes of dispatching gas to and from receipt and delivery points.

\_\_\_\_\_  
\_\_\_\_\_

(e) Are additional or new facilities required to receive or deliver gas for the transportation service requested herein?

\_\_\_\_\_ Yes \_\_\_\_\_ No

(f) Name and full title of Officer (or General Partner) of Requesting Shipper who will execute a written service agreement with OkTex Pipeline Company.

\_\_\_\_\_

(g) The maximum daily quantity for which transportation service is requested is \_\_\_\_\_ Dekatherm with an estimated total quantity of gas to be transported during the requested term of service of \_\_\_\_\_ Dekatherm.

(h) Name and detailed description of receipt point(s) into OkTex Pipeline Company's system, the names(s) of third party transporters, delivery point(s) where OkTex Pipeline Company will redeliver the gas, the maximum daily quantity to be received and delivered at each receipt point and at each delivery point and the desired pressure at each receipt point and at each delivery point:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(i) (1) Type of service requested:

\_\_\_\_\_ OKTEX firm (FTS Rate Schedule)  
\_\_\_\_\_ OKTEX interruptible (ITS Rate Schedule)  
\_\_\_\_\_ Buffalo Wallow firm (FTS Rate Schedule)  
\_\_\_\_\_ Buffalo Wallow interruptible (ITS Rate Schedule)  
\_\_\_\_\_ Midstream firm (FTS Rate Schedule)  
\_\_\_\_\_ Midstream interruptible (ITS Rate Schedule)  
\_\_\_\_\_ Norteño firm (FTS Rate Schedule)  
\_\_\_\_\_ Norteño interruptible (ITS Rate Schedule) \_\_S or \_\_DN

(2) Date service is proposed to commence (which shall not be later than three (3) months after this request is submitted to OkTex Pipeline):

\_\_\_\_\_

(3) Date service is proposed to terminate (which shall not be earlier than one (1) month from the date service is to commence):

---

(j) (1) The source(s) of gas supply (to be provided upon execution of the transportation contract by the parties thereto):

---

---

(2) The state of the ultimate end user of the gas (to be provided upon execution of the transportation contract by the parties thereto):

---

(k)(1) a copy of Requesting Shipper's most recent audited financial statements:

(2) a copy of Requesting Shipper's most recent Annual Report and 10-K Form, if applicable, and any other information demonstrating credit worthiness as provided for in Article XXVI of the General Terms and Conditions of OkTex Pipeline Company's FERC Gas Tariff; and

(3) a list of Requesting Shipper's affiliates, including parent and subsidiaries, if applicable, including the specific affiliation of the requesting Shipper with OkTex Pipeline Company, and the extent of OkTex Pipeline Company's affiliation, if any, with the person to be provided transportation service, and the extent of the supplier's affiliation with OkTex Pipeline Company.

(1) (1) Certification by Requesting Shipper that Requesting Shipper has good title to, or a current contractual right to acquire such title to, the gas to be transported by OkTex Pipeline Company.

(2) Certification by Requesting Shipper that prior to the commencement of service by OkTex Pipeline Company, Requesting Shipper has or will enter into all necessary third party transportation agreements to transport the gas to OkTex Pipeline Company and to the party ultimately receiving the gas.

(3) Certification by Requesting Shipper that Requesting Shipper has a sales contract or will enter into such sales contract with the party ultimately receiving the gas, prior to the commencement of service by OkTex Pipeline Company.

(m) Whether any of the gas being transported is subject to take-or-pay relief for OkTex Pipeline Company and, if so, how much,

(n) Whether and by how much the cost of the gas to ONEOK Products Company exceeds the price received for the sale of the gas by ONEOK Products Company, after deducting associated costs, including those incurred for transportation.

Requesting Shipper understands that this Service Request Form, complete and unrevised as to format, must be received by OkTex Pipeline Company before the transportation request will be accepted and processed. Requesting Shipper further understands that OkTex Pipeline Company is an interstate pipeline subject to

the regulations of the Federal Energy Regulatory Commission ("Commission") and that Requesting Shipper's request will become part of a log available for public inspection.

Shipper understands that it must reimburse OkTex Pipeline Company for the Commission's filing fees upon receipt of an invoice therefor. Requesting Shipper, by its signature, represents and certifies to OkTex Pipeline Company that the information set forth in this Service Request Form is correct and accurate and that the certifications set forth in paragraph (1) above have been met.

Submitted by: \_\_\_\_\_

(REQUESTING SHIPPER)

By: \_\_\_\_\_  
(Name and Title of Officer)

Date: \_\_\_\_\_

Receipt date for sequencing assigned by OkTex Pipeline Company:

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Manager Gas Supply Operations of OkTex Pipeline Company)

Date Shipper notified: \_\_\_\_\_

**GAS TRANSPORTATION CONTRACT  
FOR FIRM TRANSPORTATION SERVICE**

between

"Shipper"

and

**OKTEX PIPELINE COMPANY  
"Transporter"**

Dated: MONTH \_\_\_\_\_ DAY \_\_\_\_\_, YEAR \_\_\_\_\_

**PRO FORMA  
GAS TRANSPORTATION CONTRACT  
FOR FIRM TRANSPORTATION SERVICE**

This Contract is made as of the [date] day of [month], [year] by and between the OkTex Pipeline Company, a Delaware corporation, herein called Transporter, and [name of shipper], a [state] corporation, herein called Shipper, pursuant to the following recitals and representations:

WHEREAS Transporter has received and accepted a Certificate of Public Convenience and Necessity issued by the Federal Energy Regulatory Commission, authorizing Transporter to own, construct and operate a natural gas transmission system, herein called Transporter's System:

WHEREAS Transporter's System extends or will extend in a southerly direction from its points of interconnection with the facilities of ONEOK Services, Inc. in Oklahoma to facilities owned by Lone Star Gas Company in Texas.

WHEREAS Shipper has entered or is about to enter into gas purchase (or sales) agreement(s) with [name], herein called Gas Supplier(s), ["or Gas Purchaser(s)"] for the purchase and sale of up to [quantity] Mcf of natural gas per day;

WHEREAS Shipper (or Gas Purchaser(s)) has received and accepted all necessary regulatory and governmental approvals to purchase and, if appropriate, import gas pursuant to the aforesaid gas purchase agreement(s).

WHEREAS Gas Supplier(s) [or Shipper] has received and accepted all necessary regulatory and governmental approvals to sell and, if appropriate, export gas pursuant to the aforesaid gas purchase agreement(s).

WHEREAS Transporter has received and accepted all necessary regulatory and governmental approvals to construct and operate Transporter's System and to transport such gas on behalf of Shipper; and

WHEREAS Transporter and Shipper now desire to establish the terms and conditions under which Transporter will render firm transportation services to Shipper by entering into this Gas Transportation Contract for Firm Transportation Service:

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein assumed, Transporter and Shipper agree as follows:

**ARTICLE I - SCOPE OF CONTRACT**

1. On the Commencement Date and each day thereafter, Shipper shall cause the Input Quantity for each Receipt Point hereunder, not to exceed the Maximum Input Quantity for each Receipt Point, to be delivered to Transporter at the Receipt Point(s).

2. On the Commencement Date and each day thereafter on which Shipper and Transporter schedule gas for transportation hereunder, Transporter shall make the Equivalent Quantity corresponding to the Input Quantity, not to exceed the Maximum Equivalent Quantity for each Delivery Point, available

to or on behalf of Shipper at the Deliver point(s) on a firm basis.

3. Shipper shall be solely responsible for securing faithful performance by Gas Supplier(s) in all matters which may affect Transporter's performance hereunder, and Transporter shall not be liable hereunder to Shipper as a result of the failure of Gas Supplier(s) to so perform.

#### **ARTICLE II - RESERVATION OF FIRM TRANSPORTATION CAPACITY**

1. Shipper hereby reserves the right to cause Transporter to receive from or for the account of Shipper at each Receipt Point during any month up to the sum of the Maximum Input Quantities for such Receipt Point as set forth on the effective Schedule 1 appended hereto and to cause Transporter to make available to or on behalf of Shipper at each Delivery Point during a month the Equivalent Quantities for each Delivery Point as set forth on the currently effective Schedule 2 appended hereto.

2. Transporter shall make available to Shipper the transportation service reserved under this Article II on the days and for the quantities of gas for which such service has been reserved, subject to Shipper's compliance with the terms and conditions of this Contract.

#### **ARTICLE III - RATE**

1. For each Dekatherm of Input Quantity on any day, Shipper agrees to pay and shall pay the applicable Maximum Unit Commodity Rate specified in Rate Schedule FTS as in effect on the day the transportation service is rendered; provided however, that in the event that Transporter determines, in its sole discretion, to render transportation service on behalf of Shipper for a Discounted Unit Commodity Rate, Transporter shall notify Shipper in writing of the amount of such Discounted Unit Commodity Rate, the day(s) on which such rate shall be in effect and the quantities to which such rate applies. For each Dekatherm of Input Quantity on the day(s) on which a Discounted Unit Commodity Rate is in effect, within the quantity to which such rate applies, as set forth in Transporter's notice, Shipper agrees to pay and shall pay the applicable Discounted Unit Commodity Rate in Lieu of the Maximum Unit Commodity Rate.

2. For each Dekatherm per day of Maximum Input Quantity at each Receipt Point, Shipper agrees to pay and shall pay the applicable Maximum Monthly Demand Charge specified in Rate Schedule FTS as in effect on the day for which transportation capacity has been reserved; provided however, that in the event that Transporter determines, in its sole discretion, to render transportation service on behalf of Shipper for a Discounted Monthly Demand Charge, Transporter shall notify the Shipper in writing of amount of such Discounted Monthly Demand Charge, the day(s) on which such rate shall be in effect and the quantities to which such rate applies. For each Dekatherm of the Maximum Input Quantity at each Receipt Point on the day(s) on which a quantity to which such rate applies, as set forth in Transporter's notice, Shipper agrees to pay and shall pay the applicable Discounted Monthly Demand Charge in lieu of the Maximum Monthly Demand Charge.

3. Shipper agrees that the Transporter shall have the unilateral right to file with the FERC and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's FTS Rate Schedules or (b) any provision of the General Terms and Conditions applicable to such rate schedule, subject to the applicable provisions of the Natural Gas Act and the Commission's regulations thereunder.

**ARTICLE IV - RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS**

This Contract and all terms and provisions contained or incorporated herein are subject to the provisions of Rate Schedule FTS and the General Terms and Conditions of Transporter's FERC Gas Tariff as such may be revised or superseded from time to time, which Rate Schedule FTS and General Terms and Conditions are by this reference made a part hereof.

**ARTICLE V - TERM**

1. The Commencement Date shall be the latter of [date] or such date on which the natural gas facilities required to enable Transporter to render transportation service to Shipper hereunder are constructed, installed and made operational, as shall be set forth in Transporters written notice to Shipper.

2. This Contract shall be effective as of the date first hereinabove written; provided however, that Transporter shall be under no obligation to receive or to deliver any quantities of natural gas hereunder and Shipper shall be under no obligation for any payments hereunder prior to the Commencement Date.

3. This Contract shall continue in force and effect until [date which is at least one month from the Commencement Date], pursuant to any effective provisions for termination of this Contract by Transporter as stated in Rate Schedule FTS or the General Terms and Conditions for Transportation Service; provided however, that if the FERC authorizes Transporter to abandon service to Shipper on an earlier date, this Contract shall terminate as of such earlier date.

**ARTICLE VI - NOTICES**

Notices to Transporter shall be addressed to:

Manager Contract Administration  
OkTex Pipeline Company  
100 W. 5th Street, MD 12-4  
Tulsa, OK 74103

Notices to Shipper hereunder shall be addressed to:

[Name of Shipper]  
[address]

Either party may change its address under this Article by written notice to the other party.

**ARTICLE VII - TRANSFER AND ASSIGNMENT OF CONTRACT**

Any entity which shall succeed by purchase, merger or consolidation to the properties, substantially or as an entirety, of either Transporter or Shipper, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Contract. Otherwise no assignment of this Contract or any of the rights or obligations hereunder, or any portion of Shipper's effective Maximum Daily Contract Demand shall be made. It is agreed, however, that the restrictions on assignment contained in this Article VII shall not in any way prevent either party to this Contract from pledging or mortgaging its rights hereunder as security for its indebtedness.

**ARTICLE VIII - BANKRUPTCY OF SHIPPER**

Subject to the requirements of Section 7 of the Natural Gas Act, Transporter shall not be required to render or to continue to render transportation service on behalf of any Shipper that has applied for bankruptcy under the Bankruptcy Code or on behalf of any Shipper which, at Transporter's request, fails within a fifteen (15) day period to demonstrate and maintain credit worthiness, provided however, that Transporter shall render or continue to render transportation service for any such Shipper which prepays for such service or which, upon fifteen (15) days notice by Transporter, furnishes good and sufficient security bond or other good and sufficient security as Transporter in its reasonable discretion deems acceptable, of a continuing nature and in an amount equal to the cost of performing the transportation service request for a two (2) month period.

**ARTICLE IX - LAW OF CONTRACT**

The interpretation and performance of this Contract shall be in accordance with and controlled by the laws of the State of Oklahoma and applicable federal law and regulation .

IN WITNESS WHEREOF, the parties hereto have caused this contract to be duly executed in several counterparts by their proper officers thereunto duly authorized, as of the date first hereinabove written.

ATTEST: OKTEX PIPELINE COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST: [NAME OF SHIPPER]

\_\_\_\_\_

By \_\_\_\_\_

<b>SCHEDULE 1</b>			
to			
<b>GAS TRANSPORTATION CONTRACT</b>			
between			
<b>OKTEX PIPELINE COMPANY</b>			
<b>"Transporter"</b>			
and			
_____			
<b>"Shipper"</b>			
Dated: MONTH _____ DAY _____, YEAR _____			
	<b>MAXIMUM INPUT QUANTITY</b>	<b>ALLOWABLE DELIVERY PRESSURE</b>	
<b>RECEIPT POINT(S)</b>	<b>(Dekatherm)</b>	<b>(Maximum)</b>	<b>(Minimum)</b>
_____	_____	_____	_____

**SCHEDULE 2**

to

**GAS TRANSPORTATION CONTRACT**

between

**OKTEX PIPELINE COMPANY  
"Transporter"**

and

\_\_\_\_\_  
"Shipper"

Dated: MONTH \_\_\_\_\_ DAY \_\_\_\_\_, YEAR \_\_\_\_\_

**MAXIMUM EQUIVALENT  
QUANTITY**

**ALLOWABLE DELIVERY  
PRESSURE**

**DELIVERY POINT(S)**  
\_\_\_\_\_

**(Dekatherm)**  
\_\_\_\_\_

**(Maximum) (Minimum)**  
\_\_\_\_\_

**GAS TRANSPORTATION CONTRACT  
FOR INTERRUPTIBLE TRANSPORTATION SERVICE**

between

"Shipper"

and

**OKTEX PIPELINE COMPANY  
"Transporter"**

Dated: MONTH \_\_\_\_\_ DAY \_\_\_\_\_, YEAR \_\_\_\_\_

**PRO FORMA  
GAS TRANSPORTATION CONTRACT  
FOR INTERRUPTIBLE TRANSPORTATION SERVICE**

This Contract is made as of the [date] day of [month], [year] by and between the OkTex Pipeline Company, a Delaware corporation, herein called Transporter, and [name of shipper], a [state] corporation, herein called Shipper, pursuant to the following recitals and representations:

WHEREAS Transporter has received and accepted a Certificate of Public Convenience and Necessity issued by the Federal Energy Regulatory Commission, authorizing Transporter to own, construct and operate a natural gas transmission system, herein called Transporter's System:

WHEREAS Transporter's System extends or will extend in a southerly direction from its points of interconnection with the facilities of ONEOK Services, Inc. in Oklahoma to facilities owned by Lone Star Gas Company in Texas.

WHEREAS Shipper has entered or is about to enter into gas purchase [or sales] agreement(s) with [name], herein called Gas Supplier(s), ["or Gas Purchaser(s)"] for the purchase and sale of up to [quantity] Mcf of natural gas per day;

WHEREAS Shipper (or Gas Purchaser(s)) has received and accepted all necessary regulatory and governmental approvals to purchase and, if appropriate, import gas pursuant to the aforesaid gas purchase agreement(s).

WHEREAS Gas Supplier(s) [or Shipper] has received and accepted all necessary regulatory and governmental approvals to sell and, if appropriate, export gas pursuant to the aforesaid gas purchase agreement(s);

WHEREAS Transporter has received and accepted all necessary regulatory and governmental approvals to construct and operate Transporter's Systems and to transport such gas on behalf of Shipper; and

WHEREAS Transporter and Shipper now desire to establish the terms and conditions under which Transporter will render interruptible transportation services to Shipper by entering into this Gas Transportation Contract for Interruptible Transportation Service;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein assumed. Transporter and Shipper agree as follows:

**ARTICLE I - SCOPE OF CONTRACT**

1. On the Commencement Date and each day thereafter on which Shipper and Transporter schedule gas for transportation hereunder, Shipper shall cause the Input Quantity for each Receipt Point hereunder, not to exceed the Maximum Input Quantity for each Receipt Point, to be delivered to Transporter at the Receipt Point(s).

2. On the Commencement Date and each day thereafter on which the Input Quantity is delivered to Transporter at the Receipt Point(s) pursuant to Section 1 of this Article I, Transporter shall, subject to interruption of service by Transporter in accordance with this Contract and Transporters Tariff,

make the Equivalent Quantity corresponding to the Input Quantity, not to exceed the Maximum Equivalent Quantity for each Delivery Point, available to or on behalf of Shipper at the Delivery Point(s).

3. Shipper shall be solely responsible for securing faithful performance by Gas Supplier(s) in all matters which may affect Transporter's performance hereunder, and Transporter shall not be liable hereunder to Shipper as a result of the failure of Gas supplier(s) to so perform.

#### **ARTICLE II - INTERRUPTIBLE TRANSPORTATION CAPACITY**

1. Shipper hereby contracts for the right to cause Transporter to receive from or for the account of Shipper at each Receipt Point up to the Maximum Input Quantity for such Receipt Point as set forth on the effective Schedule 1 appended hereto, on any day on which Transporter has interruptible capacity available to Shipper, and to cause Transporter to make available to or on behalf of Shipper on an interruptible basis at each Delivery Point on such day the Equivalent Quantity corresponding to the Input Quantity, not to exceed the Maximum Equivalent Quantity for each Delivery Point as set forth on the currently effective Schedule 2 appended hereto.

2. Transporter shall make available to Shipper the transportation service contracted for under this Article II on the days and for the quantities of gas for which Transporter has interruptible capacity available to Shipper, subject to Shipper's compliance with the terms and conditions of this Contract.

#### **ARTICLE III - RATE**

1. For each Dekatherm of Input Quantity on any day, Shipper agrees to pay and shall pay the applicable Maximum Unit Commodity Rate specified in Rate Schedule ITS as in effect on the day the transportation service is rendered; provided however, that in the event that Transporter determines, in its sole discretion, to render transportation service on behalf of Shipper for a Discounted Unit Commodity Rate, Transporter shall notify Shipper in writing of the amount of such Discounted Unit Commodity Rate, the day(s) on which such rate shall be in effect and the quantities to which such rate applies. For each Dekatherm of Input Quantity on the day(s) on which a Discounted Unit Commodity Rate is in effect, within the quantity to which such rate applies, as set forth in Transporter's notice, Shipper agrees to pay and shall pay the applicable Discounted Unit Commodity Rate in lieu of the Maximum Unit Commodity Rate.

2. Shipper agrees that Transporter shall have the unilateral right to file with the FERC and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's ITS Rate Schedules or (b) any provisions of the General Terms and Conditions applicable to such rate schedule, subject to the applicable provisions of the Natural Gas Act and the Commission's regulations thereunder.

#### **ARTICLE IV - RATE SCHEDULES AND GENERAL TERMS AND CONDITIONS**

This Contract and all terms and provisions contained or incorporated herein are subject to the provisions of Rate Schedule ITS and the General Terms and Conditions of Transporter's FERC Gas Tariff as such may be revised or superseded from time to time, which Rate Schedule ITS and General Terms and Conditions are by this reference made a part hereof.

#### **ARTICLE V - TERM**

1. The Commencement Date shall be the latter of [date] or such date on which the natural gas facilities required to enable Transporter to render transportation service to Shipper hereunder are constructed, installed and made operational, as shall be set forth in Transporter's written notice to Shipper.

2. This Contract shall be effective as of the date first hereinabove written: provided however, that Transporter shall be under no obligation to receive or to deliver any quantities of natural gas hereunder and Shipper shall be under no obligation for any payments hereunder prior to the Commencement Date.

3. This Contract shall continue in force and effect until [date] pursuant to any effective provisions for termination of this Contract by Transporter as stated in Rate Schedule ITS or the General Terms and Conditions for Transportation Service; provided however, that if the FERC authorizes Transporter to abandon service to Shipper on an earlier date, this Contract shall terminate as of such earlier date.

#### **ARTICLE VI - NOTICES**

Notices Transporter shall be addressed to:

Manager Contract Administration  
OkTex Pipeline Company  
100 W. 5th Street, MD 12-4  
Tulsa, OK 74103

Notices to Shipper hereunder shall be addressed to

[Name of Shipper]  
[address]

Either party may change its address under this Article by written notice to the other party.

#### **ARTICLE VII - TRANSFER AND ASSIGNMENT OF CONTRACT**

Any entity which shall succeed by purchase, merger or consolidation to the properties, substantially or as an entirety, of either Transporter or Shipper, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Contract. Otherwise, no assignment of this Contract or of any of the rights or obligations hereunder or any portion of Shipper's effective Maximum Daily Contract Demand shall be made. It is agreed, however, that the restrictions on assignment contained in this Article VII shall not in any way prevent either party to this Contract from pledging or mortgaging its rights hereunder as security for its indebtedness.

#### **ARTICLE VIII - BANKRUPTCY OF SHIPPER**

Subject to the requirements of Section 7 of the Natural Gas Act, Transporter shall not be required to render or to continue to render transportation service on behalf of any Shipper that has applied for bankruptcy under the Bankruptcy Code or on behalf of any Shipper which, at Transporter's request, fails within a fifteen (15) day period to demonstrate and maintain credit worthiness, provided however, that Transporter shall render or continue to render transportation service for any such Shipper which prepays for such service or which, upon fifteen (15) days notice by Transporter, furnishes good and sufficient security bond or other good and sufficient security as Transporter in its reasonable discretion deems acceptable, of a continuing nature and in an amount equal to the cost of performing the transportation service request for a two (2) month period.

**ARTICLE IX - LAW OF CONTRACT**

The interpretation and performance of this Contract shall be in accordance with and controlled by the laws of the State of Oklahoma and federal law and regulation.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be duly executed in several counterparts by their proper officers thereunto duly authorized, as of the date first hereinabove written.

ATTEST: OKTEX PIPELINE COMPANY

\_\_\_\_\_

By \_\_\_\_\_

ATTEST: [NAME OF SHIPPER]

\_\_\_\_\_

By \_\_\_\_\_

**SCHEDULE 1**

to

**GAS TRANSPORTATION CONTRACT**

between

**OKTEX PIPELINE COMPANY**  
**"Transporter"**

and

\_\_\_\_\_

**"Shipper"**

Dated: MONTH \_\_\_\_\_ DAY \_\_\_\_\_, YEAR \_\_\_\_\_

<b>RECEIPT POINT(S)</b>	<b>MAXIMUM INPUT QUANTITY</b>	<b>ALLOWABLE DELIVERY PRESSURE</b>	
	(Dekatherm)	(Maximum)	(Minimum)
_____	_____	_____	_____

**SCHEDULE 2**

to

**GAS TRANSPORTATION CONTRACT**

between

**OKTEX PIPELINE COMPANY**  
**"Transporter"**

and

\_\_\_\_\_  
**"Shipper"**

Dated: MONTH \_\_\_\_\_ DAY \_\_\_\_\_, YEAR \_\_\_\_\_

<b>DELIVERY POINT(S)</b>	<b>MAXIMUM EQUIVALENT QUANTITY</b>	<b>ALLOWABLE DELIVERY PRESSURE</b>	
	(Dekatherm)	(Maximum)	(Minimum)

**SCHEDULE A**

Shipper's Form

Shipper \_\_\_\_\_ Shipper # \_\_\_\_\_

Offer # \_\_\_\_\_ Contract # \_\_\_\_\_

\_\_\_\_\_ Permanent or \_\_\_\_\_ Temporary

\_\_\_\_\_ Firm or

\_\_\_\_\_ Interruptible (recall)

\_\_\_\_\_ Primary release or \_\_\_\_\_ Secondary release of

primary contract # \_\_\_\_\_

OFFER:	FTS Volume (Dekatherm/day)	Delivery Point
	_____	_____
	_____	_____
	_____	_____
Total	_____	

Beginning date: \_\_\_\_\_ Ending date: \_\_\_\_\_

Specify objective criteria to be used by OkTex to determine the "best bid" if the criteria in OkTex's tariff is not to be used.

\_\_\_\_\_  
\_\_\_\_\_

If Applicable:

Subject to prearranged bid: \_\_\_\_\_ yes\* \_\_\_\_\_ no

Prearranged bidder's name: \_\_\_\_\_

Minimum bid price (demand charge) per Dekatherm: \$ \_\_\_\_\_

Type of recall: \_\_\_\_\_ Specified dates: \_\_\_\_\_

Events: \_\_\_\_\_

Prepayment of demand charges required: \_\_\_\_\_ yes \_\_\_\_\_ no

Other minimum conditions: \_\_\_\_\_

Contingent bids: If the Shipper is willing to accept contingent bids, specify in detail the contingencies (in form, content, and operation) that are acceptable: \_\_\_\_\_

\* This offer must list all terms of the prearranged bid as the minimum terms.

**SCHEDULE B  
CAPACITY RELEASE TIME LINE**

**Short term release (less than 1 year):**

Offers should be tendered by 12:00 a.m. on the business day before nominations for short-term releases (less than 1 year);

open season ends no later than 1:00 p.m. on a business day (evaluation period begins at 1:00 p.m. during which contingency is eliminated, determination of best bid is made, and ties are broken);

evaluation period ends at 2:00 p.m.;  
match or award is communicated by 2:00 p.m.;  
match response by 2:30 p.m.;  
award posting by 3:00 p.m.;

posting of pre-arranged deals not subject to bid as soon as Transporter is informed of the prearranged deal regardless of whether the contract has yet been executed;

contract tendered with contract # within one (1) hour after the pipeline has been notified of the release regardless of whether a contract has been executed with the replacement shippers for biddable releases able to submit nominations once the capacity award is made or, in the case of a pre-arranged deal at the earliest available nomination opportunity after acquisition of capacity.

**Long term release (1 year or more):**

Offers should be tendered by 12:00 a.m. four business days before award for long-term releases;

open season ends no later than 1:00 p.m. on the business day. (open season is three business days);

evaluation period begins at 1:00 p.m. during which contingency is eliminated, determination of best bid is made, and ties are broken;

evaluation period ends at 2:00 p.m.;  
match or award is communicated by 2:00 p.m.;  
match response by 2:30 p.m.;  
award posting by 3:00 p.m.;

posting of pre-arranged deals not subject to bid as soon as Transporter is informed of the prearranged deal regardless of whether the contract has yet been executed;

contract tendered with contract # within one (1) hour after the pipeline has been notified of the release regardless of whether a contract has been executed with the replacement shippers for biddable releases able to submit nominations once the capacity award is made or, in the case of a pre-arranged deal at the earliest available nomination opportunity after acquisition of capacity.

**For non-biddable releases:**

**Timely Cycle**

-posting of prearranged deals not subject to bid are due by 10:30 A.M. on a Business Day;  
-contract issued within one hour of award posting (with a new contract number, when applicable);  
nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

**Evening Cycle**

-posting of prearranged deals not subject to bid are due by 5:00 P.M. on a Business Day;  
-contract issued within one hour of award posting (with a new contract number, when applicable);  
nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

**Intraday 1 Cycle**

-posting of prearranged deals not subject to bid are due by 9:00 A.M. on a Business Day;  
-contract issued within one hour of award posting (with a new contract number, when applicable);  
nomination possible beginning at the next available nomination cycle for the effective date of the contract. (Central Clock Time)

**Intraday 2 Cycle**

-posting of prearranged deals not subject to bid are due by 4:00 P.M. on a Business Day;

-contract issued within one hour of award posting (with a new contract number, when applicable);  
nomination possible beginning at the next available nomination cycle for the effective date of the  
contract. (Central Clock Time)

**SCHEDULE C**

**Bidder's Form**

Bidder: \_\_\_\_\_ Bidder # \_\_\_\_\_

Bid for: Contract # \_\_\_\_\_ and Offer # \_\_\_\_\_

Beginning Date: \_\_\_\_\_ Ending Date: \_\_\_\_\_

Indicate if you are a prearranged bidder: \_\_\_\_\_ yes \_\_\_\_\_ no

Price (demand charge) bid per Dekatherm: \$ \_\_\_\_\_

Is offer for full volume at points offered? \_\_\_\_\_ yes \_\_\_\_\_ no

If no, total volume bid on: \_\_\_\_\_ Dekatherm

FTS Volume (Dekatherm/day)

Delivery Point

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Response to other terms of offer: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Contingencies: \_\_\_\_\_

\_\_\_\_\_

If this bid is contingent on the outcome of another bid or bids, specify the  
priority to be given to this bid, i.e., first, second, etc.: \_\_\_\_\_

\_\_\_\_\_

For pipeline use only:

Date: \_\_\_\_\_ Time \_\_\_\_\_ Bid # \_\_\_\_\_

Total demand charge revenues \$ \_\_\_\_\_

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

THIS ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT (the "Agreement") is made as of \_\_\_\_\_, by and between OkTex Pipeline Company, a Delaware corporation, with offices at 100 W. 5th Street, Tulsa, OK 74103 and \_\_\_\_\_, a \_\_\_\_\_, corporation, with offices at \_\_\_\_\_ (collectively, the "parties").

RECITALS

WHEREAS, the parties desire to facilitate transactions, reports and other information exchanged ("Transactions") by electronically transmitting and receiving data in agreed formats in substitution for on-line transmittal and/or for conventional paper-based documents; and

WHEREAS, the parties desire to assure that such Transactions are not legally invalid or unenforceable as a result of the use of available electronic technologies for the mutual benefit of the parties; and

WHEREAS, the parties desire to enter into this Agreement to govern their relationship with respect to electronic data interchange ("EDI") Transactions,

NOW, THEREFORE, in consideration of the premises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

Section 1. Prerequisites.

1.1. Documents: Standards. Each party may electronically transmit to or receive from the other party any of the transaction sets listed in the Exhibit(s) of the Appendix, and transaction sets which the parties by written agreement add to the Appendix (collectively "Documents"). Any transmission of data which is not a Document shall have no force or effect between the parties. All Documents shall be transmitted in accordance with the standards and the published industry guidelines set forth in the Appendix. The Appendix to this Agreement is attached hereto and made a part hereof; the Appendix and Exhibit(s) thereto hereafter are referred to as the "Appendix". In the event of a conflict between the provisions in the body of this Agreement and the Appendix, the Appendix will govern.

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

1.2. Third Party Service Providers.

1.2.1. Documents will be transmitted electronically to each party either, as specified in the Appendix, directly or through any third party service provider ("Provider") with which either party may contract. Either party may modify its election to use, not use or change a Provider upon 30 days prior written notice.

1.2.2. Each party shall be responsible for the costs of any Provider with which it contracts, unless otherwise set forth in the Appendix. Unless otherwise stated in the Appendix, the sending party shall pay all costs to get its data to the receiving party's Receipt Computer and the receiving party shall pay all costs to retrieve the data.

1.3. System Operations. Each party, at its own expense, shall provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive Documents. Any special data retention requirements shall be set forth in the Appendix.

1.4. Security Procedures. Each party shall properly use those security procedures, including those specified in the Appendix, if any, which are reasonably sufficient to ensure that all transmissions of Documents are authorized and to protect its business records and data from improper access.

1.5. Signatures. Each party shall adopt as its signature an electronic identification consisting of symbol(s) or code(s) which are to be affixed to or contained, where required, in the Document transmitted by such party ("Signature Code(s)"). Such Signature Code(s) shall be specified in the Appendix. In such cases where a Signature Code(s) is required for one or more Transaction Set(s), the requirement shall be specified in the Appendix applicable to such Transaction Set(s). Each party agrees that the Signature Code(s) of such party affixed to or contained in any transmitted Document shall be sufficient to verify such party originated such Document(s). Neither party shall disclose to any unauthorized person the Signature Code(s) of the other party.

Section 2. Transmissions.

2.1 Proper Receipt. "Proper Receipt" means Documents and Transactions are accessible in proper form to the receiving Party at such Party's Receipt Computer designated in the Appendix. Proper receipt of a Document or Transaction shall not mean such Document or Transaction is valid, or accepted. No Document or Transaction shall give rise to any obligation under this Agreement unless Properly Received. Where the Parties employ the services of Providers to transmit and receive Documents, the Receipt Computer shall be defined in the Appendix as the receiving Party's electronic mailbox provided by the receiving Party's Provider.

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

2.2. Verification.

2.2.1. Upon proper receipt of any Document, the receiving party shall promptly and properly transmit a functional acknowledgment in return, unless otherwise specified in the Appendix.

2.2.2. For the purposes of this Agreement, a "functional acknowledgment" means an ASC X.12 Transaction Set 997, which confirms a Document (in the format specified by such acknowledgment) has been received and whether all required portions of the Document are syntactically correct, but which does not confirm the substantive content(s) of the related Document.

2.2.3. By mutual agreement, the parties may designate in the Appendix a "response document" Transaction Set as a substitute for or in addition to an ASC X.12 Transaction Set 997. A "response document" confirms that a Document (in the format specified by such acknowledgment) has been received, and whether all required portions of the Document are syntactically correct, and contains data sent by the receiving party to the sending party in response to the substantive content of the related Document. If the parties designate a response document as a substitute for a functional acknowledgment, the time requirements in the Appendix applicable to functional acknowledgments shall apply to such response documents.

2.2.4. A functional acknowledgment, or a response document that has been designated in the Appendix as a substitute for a functional acknowledgment, shall constitute conclusive evidence a Document has been properly received.

2.2.5. Except as to conditions governed under Section 2.4, in the event the receiving party fails to promptly and properly transmit a functional acknowledgment or response document in return for a properly received Document, where required, the originating party's records of the contents of the Document shall control.

2.3. Acceptance. If acceptance of a Document is required by the Appendix, any such Document which has been properly received shall not give rise to any obligation unless and until the party initially transmitting such Document has properly received in return an Acceptance Document (as specified in the Appendix).

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

2.4. Garbled Transmissions. If any transmitted Document is received in an unintelligible or garbled form, the receiving party shall promptly notify the originating party (if identifiable from the received Document) in a reasonable manner. In the absence of such a notice and where a functional acknowledgment or response document has resulted, the originating party's records of the contents of such Document shall control.

2.5. Retransmissions. If the originating party of a Document has not properly received a corresponding functional acknowledgment or response document within the Retransmission Time frame indicated in the Appendix, the originating party shall retransmit the Document.

Section 3. Transaction Terms,

3.1. Terms and Conditions. This Agreement is to be considered part of any other written agreement referencing it or referenced in the Appendix. In the absence of any other written agreement applicable to any Transaction made pursuant to this Agreement, such Transaction (and any related communication) also shall be subject to the terms and conditions included on each party's standard printed applicable forms attached to or identified in the Appendix [as the same may be amended from time to time by either party upon written notice to the other]. The parties acknowledge that the terms and conditions set forth on such forms may be inconsistent, or in conflict, but agree that any conflict or dispute that arises between the parties in connection with any such Transaction will be resolved as if such Transaction had been effected through the use of such forms.

If this Agreement conflicts in any way with OkTex Pipeline Company's Tariff, the Tariff shall govern.

The terms of this Agreement shall prevail in the event of any conflict with any other terms and conditions applicable to any Transaction. Notwithstanding the foregoing and Section 4.1 of this Agreement, if any party determines that this Agreement is in conflict with either that party's existing tariff or an obligation imposed by a governmental entity exercising jurisdiction over that party, then the affected party shall give immediate notice defining which terms of this Agreement are affected, and the reasons therefor, and may provide notice of termination of this Agreement as provided in Section 4.7, effective immediately upon receipt of such notice by the other party to this Agreement.

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

3.2. Confidentiality. No information contained in any Document or otherwise exchanged between the parties shall be considered confidential, except to the extent provided in Section 1.4 and 1.5, by written agreement between the parties, or by applicable law.

3.3. Validity: Enforceability.

3.3.1. This Agreement has been executed by the parties to evidence their mutual intent to create binding obligations pursuant to the electronic transmission and receipt of Documents specifying certain of the applicable terms.

3.3.2. Any Document properly transmitted and properly received pursuant to this Agreement shall be considered, in connection with any Transaction, any other written agreement described in Section 3.1, or this Agreement, to be a "writing" or "in writing"; and any such Document when containing, or to which there is affixed, a Signature Code ("Signed Documents") shall be deemed for all purposes (a) to have been "signed" and (b) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

3.3.3. The conduct of the parties pursuant to this Agreement, including the use of Signed Documents properly transmitted and properly received pursuant to this Agreement, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the parties in furtherance of this Agreement, any Transaction and any other written agreement described in Section 3.1.

3.3.4. The parties agree not to contest the validity of enforceability of Signed Documents 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. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, 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 Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

Section 4. Miscellaneous.

4.1. Term. This Agreement shall be effective as of the date first set forth above and shall remain in effect until terminated by either party with not less than 30 days prior written notice specifying the effective date of termination; provided, however, that written notice for purposes of this paragraph shall not include notice provided pursuant to an EDI transaction; further provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under any Documents or otherwise under this Agreement prior to the effective date of termination.

4.2. Severability. Any provision of this Agreement which is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.

4.3. Entire Agreement. This Agreement and the Appendix constitute the complete agreement of the parties relating to the matters specified in this Agreement and supersede all prior representations or agreements, whether oral or written, with respect to such matters. No oral modification or waiver of any of the provisions of this Agreement shall be binding on either party. No obligation to enter into any Transaction is to be implied from the execution or delivery of this Agreement. This Agreement is solely for the benefit of, and shall be binding solely upon, the parties, their agents and their respective successors and permitted assigns. This Agreement is not intended to benefit and shall not be for the benefit of any party other than the parties hereto and no other party shall have any right, claim or action as a result of this Agreement.

4.4. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the state of Oklahoma, excluding any conflict-of-law rules and principles of that state which would result in reference to the laws or law rules of another jurisdiction.

4.5. Force Majeure. No party shall be liable for any failure to perform its obligations in connection with any Transaction or any Document, where such failure results from any act of God or other cause beyond such party's reasonable control (including, without limitation, any mechanical, electronic or communications failure) which prevents such party from transmitting or receiving any documents and which, by the exercise of due diligence, such party is unable to prevent or overcome.

FORM OF  
ELECTRONIC DATA INTERCHANGE  
TRADING PARTNER AGREEMENT

4.6. Exclusion of Certain Damages. Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any Documents pursuant to this Agreement, even if either party has been advised of the possibility of such damages and REGARDLESS OF FAULT. Any limitation on direct damages to software and hardware arising from this Agreement shall be set forth in the Appendix.

4.7. Notices. All notices required or permitted to be given with respect to this Agreement shall be given by mailing the same postage prepaid, or given by fax or by courier, or by other methods specified in the Appendix to the addressee party at such party's address as set forth in the Appendix. Either party may change its address for the purpose of notice hereunder by giving the other party no less than five (5) days prior written notice of such new address in accordance with the preceding provisions.

4.8. Assignment. This Agreement may not be assigned or transferred by either party without the prior written approval of the other party, which approval shall not be unreasonably withheld; provided, any assignment or transfer, whether by merger or otherwise, to a party's affiliate or successor in interest shall be permitted without prior consent if such party assumes this Agreement.

4.9. Waivers. No forbearance by any party to require performance of any provisions of this Agreement shall constitute or be deemed a waiver of such provision or the right thereafter to enforce it.

4.10. Counterparts. This Agreement may be executed in any number of original counterparts all of which shall constitute but one and the same instrument.

Each party has caused this Agreement to be properly executed on its behalf as of the date first above written.

Company Name: _____	Company Name: _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

APPENDIX  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

DATE: \_\_\_\_\_

TO BE EFFECTIVE: \_\_\_\_\_ (DATE)

Company Name: OkTex PIPELINE COMPANY  
Street Address: 100 W. 5th Street, MD 12-4  
City/State: Tulsa, OK  
Zip/Postal Code: 74103  
Attention (Name/Title): \_\_\_\_\_  
Contact Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Other Notice Method  
and Address: \_\_\_\_\_  
\_\_\_\_\_

EDI Trading Partner

Company Name: \_\_\_\_\_  
\_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State/Province/Commonwealth: \_\_\_\_\_  
Zip/Postal Code: \_\_\_\_\_  
Attention (Name/Title): \_\_\_\_\_  
Contact Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Other Notice Method  
and Address: \_\_\_\_\_  
\_\_\_\_\_

Allocation of Costs:

Sender: Pays all costs to get its data to the receiving party's  
receipt computer.

Receiver: Pays all costs to retrieve the data.

APPENDIX  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

DATE: \_\_\_\_\_  
TO BE EFFECTIVE: \_\_\_\_\_ (DATE)

Receipt Computer/Designated Site Information\*

Company Name: OkTex Pipeline Company

Primary Receipt Computer/  
Designated Site URL: \_\_\_\_\_  
Backup Receipt Computer/  
Designated Site URL: \_\_\_\_\_  
ISA Qualifier: \_\_\_\_\_ ISA Id: \_\_\_\_\_

PGP Public Key Contact: System Security Administrator - \_\_\_\_\_  
\_\_\_\_\_

PGP Contact Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

EDI Trading Partner

Company Name: \_\_\_\_\_

Primary Receipt Computer/  
Designated Site URL: \_\_\_\_\_  
Backup Receipt Computer/  
Designated Site URL: \_\_\_\_\_  
ISA Qualifier: \_\_\_\_\_ ISA Id: \_\_\_\_\_

PGP Public Key Contact: \_\_\_\_\_

PGP Contact Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

\* (This section may be in the Appendix or in each Exhibit, but must be in one or the other place.)

APPENDIX  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

LIST OF EXHIBITS

EXHIBIT NUMBER	TRANSACTION SET NUMBER	TRANSACTION SET IDENTIFIER	DOCUMENT NAME	DATE EXHIBIT ENTERED INTO
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

All Exhibits attached hereto are to be considered attached to the Appendix and made a part thereof. Where there are any provisions specified both in the Exhibit(s) and in the Appendix, those contained in the Exhibit(s) govern.

The undersigned do hereby execute this Appendix, which Appendix is attached to and made a part of the above referenced Trading Partner Agreement. By execution below, the parties hereby ratify said Agreement set forth in this Appendix and the attached Exhibit(s).

Company Name: _____	Company Name: _____
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____

EXHIBIT \_\_\_\_\_  
 ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
 DATE: \_\_\_\_\_  
 TO BE EFFECTIVE: \_\_\_\_\_ (Date)  
 COVERING TRANSACTION SET IDENTIFIER: \_\_\_\_\_

Document Specific Operating Information:

(This section covers only the originating Document and its Functional Acknowledgment or identification and timing of substitute Response Document.)

Natural Gas Descriptive Name: \_\_\_\_\_  
 ANSI X.12 Version/Release Number: \_\_\_\_\_

ROW NUMBER	ITEMS	ORIGINATING PARTY	RECEIVING PARTY
1	Company Name		
2	EDI Communication Phone Number		
3	Third Party Service Provider Name		
4	Primary EDI Receipt Computer/Designated Site URL Backup EDI Receipt Computer/Designated Site URL		
5	ISA Qualifier		
6	ISA ID Code		
7	GS ID Code		
8	997 Functional Acknowledgment Document (FA)(Y/N)	N/A	
9	FA Return Time Frame	N/A	
10	Response Document (RSP) Number/Name	N/A	
11	Functional Acknowledgment of Response	N/A	
12	RSP Return Time Frame	N/A	
13	Acceptance Document (ACPT)	N/A	
14	Functional Acknowledgment of Acceptance		N/A
15	ACPT Return Time Frame	N/A	
16	Retransmit Time Frame (Original Document)		N/A
17	Send/Receive Common Point Codes (DRN No.) - Yes/No		
18	Send/Receive Common Business Entity Codes (Duns No.) - Yes/No		
19	Signature Code		

**INDEX OF SHIPPERS**

OkTex will file an index of customers as of the first business day of each calendar quarter pursuant to section 284.13 (c). OkTex will also post the index of customers as of the first day of each calendar quarter on OkTex's Internet web site in accordance with the standards adopted in 284.12.