Table of Contents

Original Sheet No. 0	13
Original Sheet No. 1	14
Second Revised Sheet No. 1A	15
Third Revised Sheet No. 1A	16
Original Sheet No. 1B	17
Original Sheet No. 1C	18
Original Sheet No. 2	19
Original Sheet No. 3	20
First Revised Sheet No. 3	21
First Revised Sheet No. 3A	22
Second Revised Sheet No. 3A	23
Third Revised Sheet No. 3A	24
Fourth Revised Sheet No. 3B	25
Fifth Revised Sheet No. 3B	26
Sixth Revised Sheet No. 3B	27
Twenty-Sixth Revised Sheet No. 4	28
Twenty-Seventh Revised Sheet No. 4	30
Twenty-Sixth Revised Sheet No. 5	32
Twenty-Seventh Revised Sheet No. 5	34
Twenty-Fifth Revised Sheet No. 6	36
Twenty-Sixth Revised Sheet No. 6	37
Twenty-Fifth Revised Sheet No. 7	38
Twenty-Sixth Revised Sheet No. 7	39
Twenty-Fifth Revised Sheet No. 8	40
Twenty-Sixth Revised Sheet No. 8	41
Eighth Revised Sheet No. 9	42
Seventh Revised Sheet No. 10	43
Ninth Revised Sheet No. 11	44
Ninth Revised Sheet No. 12	45
Eighth Revised Sheet No. 13	46
Ninth Revised Sheet No. 14	47
Twenty-Sixth Revised Sheet No. 15	48
Twenty-Seventh Revised Sheet No. 15	50
Original Sheet No. 16	52
Twenty-Sixth Revised Sheet No. 17	53
Twenty-Seventh Revised Sheet No. 17	55
Seventh Revised Sheet No. 18	57
Seventh Revised Sheet No. 19	58
Original Sheet No. 20	59
First Revised Sheet No. 20	60
Original Sheet No. 21	61
Sheet Nos. 22-29	62
Original Sheet No. 30	63
Original Sheet No. 31	64
First Revised Sheet No. 31	65

Original Sheet No. 32	66
Original Sheet No. 33	67
Original Sheet No. 34	68
Original Sheet No. 35	69
First Revised Sheet No. 35	70
Original Sheet No. 36	71
First Revised Sheet No. 36	72
First Revised Sheet No. 37	73
Second Revised Sheet No. 37	74
Original Sheet No. 38	75
Original Sheet No. 39	76
Original Sheet No. 40	77
First Revised Sheet No. 40	78
Original Sheet No. 41	79
Original Sheet No. 42	80
Original Sheet No. 43	81
Original Sheet No. 44	82
Original Sheet No. 45	83
First Revised Sheet No. 45	84
First Revised Sheet No. 46	85
Second Revised Sheet No. 46	86
Original Sheet No. 47	87
First Revised Sheet No. 47	88
Original Sheet No. 48	89
Original Sheet No. 49	90
Original Sheet No. 50	91
Original Sheet No. 51	92
Original Sheet No. 52	93
Original Sheet No. 53	94
Original Sheet No. 54	95
Original Sheet No. 55	96
Original Sheet No. 56	97
Original Sheet No. 57	98
Original Sheet No. 58	99
Original Sheet No. 59	100
Original Sheet No. 60	101
Original Sheet No. 61	102
Original Sheet No. 62	103
Original Sheet No. 63	104
Original Sheet No. 64	105
Original Sheet No. 65	106
Original Sheet No. 66	107
Original Sheet No. 67	108
First Revised Sheet No. 68	109
Original Sheet No. 69	110
Original Sheet No. 70	111

Original Sheet No. 71	112
Original Sheet No. 72	113
Original Sheet No. 73	114
Original Sheet No. 74	115
First Revised Sheet No. 75	116
Original Sheet No. 76	117
Original Sheet No. 77	118
Original Sheet No. 78	119
Original Sheet No. 79	120
Original Sheet No. 80	121
First Revised Sheet No. 81	122
Original Sheet No. 82	123
Original Sheet No. 83	124
Original Sheet No. 84	125
Original Sheet No. 85	126
Original Sheet No. 86	127
Original Sheet No. 87	128
Original Sheet No. 88	129
Original Sheet No. 89	130
Original Sheet No. 90	131
Original Sheet No. 91	132
Original Sheet No. 92	133
Original Sheet No. 93	134
Original Sheet No. 94	135
Original Sheet No. 95	136
Original Sheet No. 96	137
Original Sheet No. 97	138
First Revised Sheet No. 98	139
Original Sheet No. 99	140
Origianl Sheet No. 100	141
First Revised Sheet No. 101	142
Original Sheet No. 102	143
Original Sheet No. 103	144
Original Sheet No. 104	145
Original Sheet No. 105	146
Original Sheet No. 106	147
Original Sheet No. 107	148
First Revised Sheet No. 107	149
Original Sheet No. 108	150
First Revised Sheet No. 108	151
First Revised Sheet No. 109	152
Second Revised Sheet No. 109	153
Original Sheet No. 110	154
First Revised Sheet No. 111	155
First Revised Sheet No. 112	156
Original Sheet No. 113	157

Original Sheet No. 114	158
Original Sheet No. 115	159
Original Sheet No. 116	160
Original Sheet No. 117	161
Original Sheet No. 118	162
Orignial Sheet No. 119	163
Original Sheet No. 120	164
Original Sheet No. 121	165
First Revised Sheet No. 121	166
First Revised Sheet No. 122	167
Second Revised Sheet No. 122	168
Original Sheet No. 123	169
First Revised Sheet No. 123	170
Original Sheet No. 124	171
Original Sheet No. 125	172
Original Sheet No. 126	173
Original Sheet No. 127	174
Sheet Nos. 128-199	175
Original Sheet No. 200	176
First Revised Sheet No. 201	177
Second Revised Sheet No. 202	178
Third Revised Sheet No. 202	179
First Revised Sheet No. 203	180
Third Revised Sheet No. 204	181
First Revised Sheet No. 205	182
First Revised Sheet No. 206	183
First Revised Sheet No. 207	184
First Revised Sheet No. 208	185
First Revised Sheet No. 209	186
Second Revised Sheet No. 210	187
First Revised Sheet No. 211	188
First Revised Sheet No. 212	189
Original Sheet No. 213	190
Original Sheet No. 214	191
First Revised Sheet No. 215	192
Original Sheet No. 216	193
Original Sheet No. 217	194
Original Sheet No. 218	195
First Revised Sheet No. 219	196
Original Sheet No. 220	197
Original Sheet No. 221	198
Original Sheet No. 222	199
Original Sheet No. 223	200
Original Sheet No. 224	201
First Revised Sheet No. 225	202
Original Sheet No. 226	203

Original Sheet No. 227	204
Original Sheet No. 228	205
Original Sheet No. 229	206
First Revised Sheet No. 230	207
First Revised Sheet No. 230A	208
Original Sheet No. 230B	209
First Revised Sheet No. 230C	210
Original Sheet No. 230D	211
First Revised Sheet No. 230E	212
Original Sheet No. 230F	213
First Revised Sheet No. 230G	214
Original Sheet No. 231	215
Original Sheet No. 232	216
Original Sheet No. 233	217
Original Sheet No. 234	218
First Revised Sheet No. 235	219
First Revised Sheet No. 236	220
Original Sheet No. 237	221
Original Sheet No. 238	222
Original Sheet No. 239	223
Original Sheet No. 240	224
Original Sheet No. 241	225
Original Sheet No. 242	226
First Revised Sheet No. 243	227
First Revised Sheet No. 244	228
Second Revised Sheet No. 245	229
First Revised Sheet No. 246	230
First Revised Sheet No. 247	231
First Revised Sheet No. 248	232
First Revised Sheet No. 249	233
First Revised Sheet No. 250	234
First Revised Sheet No. 251	235
Second Revised Sheet No. 252	236
First Revised Sheet No. 253	237
First Revised Sheet No. 254	238
First Revised Sheet No. 255	239
First Revised Sheet No. 256	240
Original Sheet No. 257	241
Original Sheet No. 258	242
Original Sheet No. 259	243
Original Sheet No. 260	244
Original Sheet No. 261	245
Original Sheet No. 262	246
Original Sheet No. 263	247
First Revised Sheet No. 264	248
Original Sheet No. 265	249

Original Sheet No. 266	250
Original Sheet No. 267	251
Original Sheet No. 268	252
Original Sheet No. 269	253
Original Sheet No. 270	254
Original Sheet No. 271	255
Original Sheet No. 272	256
Original Sheet No. 273	257
Original Sheet No. 274	258
Original Sheet No. 275	259
Original Sheet No. 276	260
Original Sheet No. 277	261
Original Sheet No. 278	262
First Revised Sheet No. 279	263
Original Sheet No. 279A	264
Original Sheet No. 280	265
Original Sheet No. 281	266
Original Sheet No. 282	267
Original Sheet No. 283	268
First Revised Sheet No. 284	269
Original Sheet No. 285	270
Original Sheet No. 286	271
Original Sheet No. 287	272
First Revised Sheet No. 288	273
Second Revised Sheet No. 289	274
Second Revised Sheet No. 290	275
Second Revised Sheet No. 291	276
Second Revised Sheet No. 292	277
First Revised Sheet No. 293	278
First Revised Sheet No. 294	279
First Revised Sheet No. 295	280
Second Revised Sheet No. 296	281
Second Revised Sheet No. 297	282
Second Revised Sheet No. 298	283
First Revised Sheet No. 299	284
Original Sheet No. 300	285
Original Sheet No. 301	286
Original Sheet No. 302	287
First Revised Sheet No. 303	288
Original Sheet No. 304	289
First Revised Sheet No. 305	290
First Revised Sheet No. 306	291
First Revised Sheet No. 307	292
Original Sheet No. 308	293
Original Sheet No. 309	294
Original Sheet No. 310	295

Original Sheet No. 311	296
Original Sheet No. 312	297
Original Sheet No. 313	298
Original Sheet No. 314	299
Original Sheet No. 315	300
First Revised Sheet No. 316	301
Original Sheet No. 317	302
Original Sheet No. 318	303
First Revised Sheet No. 319	304
Original Sheet No. 320	305
Original Sheet No. 321	306
Original Sheet No. 322	307
Original Sheet No. 323	308
Original Sheet No. 324	309
Original Sheet No. 325	310
Original Sheet No. 326	311
Original Sheet No. 327	312
Original Sheet No. 328	313
Original Sheet No. 329	314
Original Sheet No. 330	315
Second Revised Sheet No. 331	316
Original Sheet No. 332	317
Original Sheet No. 333	318
Original Sheet No. 334	319
First Revised Sheet No. 334	320
Original Sheet No. 335	321
Original Sheet No. 336	322
Original Sheet No. 337	323
Original Sheet No. 338	324
Original Sheet No. 339	325
Original Sheet No. 340	326
Original Sheet No. 341	327
Original Sheet No. 342	328
Fourth Revised Sheet No. 343	329
First Revised Sheet No. 344	330
Sheets Nos. 345-499	331
First Revised Sheet No. 500	332
First Revised Sheet No. 501	333
Original Sheet No. 502	334
Original Sheet No. 503	335
First Revised Sheet No. 503	336
Original Sheet No. 504	337
Second Revised Sheet No. 505	338
Original Sheet No. 506	339
First Revised Sheet No. 507	340
First Revised Sheet No. 508	341

First Revised Sheet No. 509	342
Original Sheet No. 510	343
First Revised Sheet No. 511	344
First Revised Sheet No. 512	345
First Revised Sheet No. 513	346
Second Revised Sheet No. 513	347
Second Revised Sheet No. 514	348
Third Revised Sheet No. 514	349
First Revised Sheet No. 515	350
First Revised Sheet No. 516	351
Original Sheet No. 517	352
Original Sheet No. 518	353
First Revised Sheet No. 518	354
Original Sheet No. 519	355
Second Revised Sheet No. 520	356
Original Sheet No. 521	357
First Revised Sheet No. 522	358
First Revised Sheet No. 523	359
First Revised Sheet No. 524	360
Original Sheet No. 525	361
First Revised Sheet No. 526	362
First Revised Sheet No. 527	363
First Revised Sheet No. 528	364
Second Revised Sheet No. 528	365
Second Revised Sheet No. 529	366
Third Revised Sheet No. 529	367
First Revised Sheet No. 530	368
First Revised Sheet No. 531	369
Original Sheet No. 532	370
Original Sheet No. 533	371
Original Sheet No. 534	372
Second Revised Sheet No. 535	373
Original Sheet No. 536	374
First Revised Sheet No. 537	375
First Revised Sheet No. 538	376
First Revised Sheet No. 539	377
Original Sheet No. 540	378
First Revised Sheet No. 541	379
First Revised Sheet No. 542	380
First Revised Sheet No. 543	381
First Revised Sheet No. 544	382
Original Sheet No. 545	383
Original Sheet No. 546	384
Original Sheet No. 547	385
Second Revised Sheet No. 548	386
Original Sheet No. 549	387

First Revised Sheet No. 550	388
First Revised Sheet No. 551	389
First Revised Sheet No. 552	390
First Revised Sheet No. 553	391
First Revised Sheet No. 554	392
First Revised Sheet No. 555	393
First Revised Sheet No. 556	394
First Revised Sheet No. 557	395
Original Sheet No. 558	396
Original Sheet No. 559	397
Original Sheet No. 560	398
Second Revised Sheet No. 561	399
Original Sheet No. 562	400
First Revised Sheet No. 563	401
First Revised Sheet No. 564	402
First Revised Sheet No. 565	403
First Revised Sheet No. 566	404
First Revised Sheet No. 567	405
First Revised Sheet No. 568	406
First Revised Sheet No. 569	407
First Revised Sheet No. 570	408
First Revised Sheet No. 571	409
Second Revised Sheet No. 572	410
First Revised Sheet No. 573	411
Second Revised Sheet No. 574	412
First Revised Sheet No. 575	413
Second Revised Sheet No. 576	414
Third Revised Sheet No. 576	415
First Revised Sheet No. 577	416
First Revised Sheet No. 578	417
Second Revised Sheet No. 579	418
First Revised Sheet No. 580	419
Second Revised Sheet No. 581	420
First Revised Sheet No. 582	421
First Revised Sheet No. 583	422
Original Sheet No. 584	423
Original Sheet No. 585	424
First Revised Sheet No. 586	425
Original Sheet No. 587	426
Second Revised Sheet No. 588	427
Original Sheet No. 589	428
Second Revised Sheet No. 590	429
Third Revised Sheet No. 590	430
First Revised Sheet No. 591	431
Original Sheet No. 592	432
Original Sheet No. 593	433

First Revised Sheet No. 594	434
Original Sheet No. 595	435
Second Revised Sheet No. 596	436
Original Sheet No. 597	437
Original Sheet No. 598	438
First Revised Sheet No. 599	439
Original Sheet No. 600	440
Original Sheet No. 601	441
First Revised Sheet No. 602	442
Original Sheet No. 603	443
Second Revised Sheet No. 604	444
Original Sheet No. 605	445
Second Revised Sheet No. 606	446
Third Revised Sheet No. 606	447
First Revised Sheet No. 607	448
Original Sheet No. 608	449
Original Sheet No. 609	450
Original Sheet No. 610	451
First Revised Sheet No. 611	452
Original Sheet No. 612	453
Original Sheet No. 613	454
Second Revised Sheet No. 614	455
Original Sheet No. 615	456
Original Sheet No. 616	457
First Revised Sheet No. 617	458
Original Sheet No. 618	459
First Revised Sheet No. 619	460
Original Sheet No. 620	461
First Revised Sheet No. 621	462
Original Sheet No. 622	463
First Revised Sheet No. 623	464
Original Sheet No. 624	465
Original Sheet No. 625	466
Second Revised Sheet No. 626	467
Original Sheet No. 627	468
Original Sheet No. 628	469
Second Revised Sheet No. 629	470
First Revised Sheet No. 630	471
First Revised Sheet No. 631	472
First Revised Sheet No. 632	473
First Revised Sheet No. 633	474
First Revised Sheet No. 634	475
First Revised Sheet No. 635	476
Second Revised Sheet No. 636	477
Third Revised Sheet No. 636	478
Original Sheet No. 637	479

First Revised Sheet No. 637	480
Original Sheet No. 638	481
First Revised Sheet No. 639	482
Original Sheet No. 640	483
Second Revised Sheet No. 641	484
Original Sheet No. 642	485
Second Revised Sheet No. 643	486
Third Revised Sheet No. 643	487
First Revised Sheet No. 644	488
First Revised Sheet No. 645	489
Original Sheet No. 646	490
Original Sheet No. 647	491
First Revised Sheet No. 647	492
Original Sheet No. 648	493
Second Revised Sheet No. 649	494
Original Sheet No. 650	495
Original Sheet No. 651	496
First Revised Sheet No. 652	497
First Revised Sheet No. 653	498
Original Sheet No. 654	499
First Revised Sheet No. 655	500
First Revised Sheet No. 656	501
First Revised Sheet No. 657	502
Second Revised Sheet No. 657	503
Second Revised Sheet No. 658	504
Third Revised Sheet No. 658	505
First Revised Sheet No. 659	506
Second Revised Sheet No. 660	507
Original Sheet No. 661	508
Original Sheet No. 662	509
Second Revised Sheet No. 663	510
Original Sheet No. 664	511
First Revised Sheet No. 665	512
Second Revised Sheet No. 666	513
Original Sheet No. 667	514
Second Revised Sheet No. 668	515
Original Sheet No. 669	516
Original Sheet No. 670	517
Original Sheet No. 671	518
First Revised Sheet No. 672	519
First Revised Sheet No. 673	520
First Revised Sheet No. 674	521
First Revised Sheet No. 675	522
Original Sheet No. 676	523
Original Sheet No. 677	524
First Revised Sheet No. 677	525

Original Sheet No. 678	526
Second Revised Sheet No. 679	527
Original Sheet No. 680	528
Original Sheet No. 681	529
First Revised Sheet No. 682	530
First Revised Sheet No. 683	531
Original Sheet No. 684	532
First Revised Sheet No. 685	533
First Revised Sheet No. 686	534
First Revised Sheet No. 687	535
Second Revised Sheet No. 687	536
Second Revised Sheet No. 688	537
Third Revised Sheet No. 688	538
First Revised Sheet No. 689	539
First Revised Sheet No. 690	540
Original Sheet No. 691	541
Original Sheet No. 692	542
Second Revised Sheet No. 693	543
Original Sheet No. 694	544
Original Sheet No. 695	545
First Revised Sheet No. 696	546
Second Revised Sheet No. 696	547

FERC GAS TARIFF

THIRD REVISED VOLUME NO. 1
(Supersedes Second Revised Volume No. 1)

of

PANHANDLE EASTERN PIPE LINE COMPANY, LP

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed To:

William W. Grygar
Vice President
Rates and Regulatory Affairs
Telephone: (713) 989-7000

Facsimile: (713) 989-1180

PANHANDLE EASTERN PIPE LINE COMPANY, LP
P. O. Box 4967
Houston, Texas 77210-4967

5444 Westheimer Road
Houston, Texas 77056-5306

TABLE OF CONTENTS

	Sheet No.
PRELIMINARY STATEMENT	2
SYSTEM MAP	3
CURRENTLY EFFECTIVE RATES	4
RATE SCHEDULES	
FT - Firm Transportation Service	30
EFT - Enhanced Firm Transportation Service	39
SCT - Small Customer Transportation Service	48
IT - Interruptible Transportation Service	55
EIT - Enhanced Interruptible Transportation Service	60
IOS - In/Out Storage Service	65
IIOS - Interruptible In/Out Storage Service	69
WS - Winter Storage Service	72
PS - Peaking Storage Service	77
IWS - Interruptible Winter Storage Service	83
GDS - General Delivery Service	87
TBS - Transportation Balancing Service	92
FS - Flexible Storage Service	95
LFT - Limited Firm Transportation Service	100
GPS - Gas Parking Service	111
HFT - Hourly Firm Transportation	115
DVS - Delivery Variance Service	124
GENERAL TERMS AND CONDITIONS	200
INDEX	201
1. Definitions	203
2. Electronic Communication System	210
3. Quality of Gas	213
4. Measurement	215
5. Responsibility During Transportation, Storage or Parking	218

TABLE OF CONTENTS
(Continued)

	Sheet No.
6. Procedures for Requesting Service Rights	219
7. Contracting for Service Rights	224
8. Nomination and Scheduling of Service	231
9. Curtailment and Interruption	241
10. Points of Receipt	245
11. Points of Delivery	252
12. Conditions of Receipt and Delivery	257
13. Policy for Construction of New Receipt or Delivery Facilities	284
14. Pooling and In-field Transfers of Storage Inventory	286
15. Procedures For Capacity Release	288
16. Reserved for Future Use	299
17. Statements and Payments	300
18. Periodic Rate Adjustments and Surcharges	304
19. Warranty and Assignments	327
20. Force Majeure	328
21. Termination for Default	329
22. Regulations	330
23. Operating Conditions in Conjunction with Affiliates	331
24. Fuel Reimbursement Adjustment	332
25. Flow Through of Cash-out Revenues and Penalties in Excess of Costs	334
26. Reserved for Future Use	338
27. Miscellaneous	339

TABLE OF CONTENTS
(Continued)

	Sheet No.
6. Procedures for Requesting Service Rights	219
7. Contracting for Service Rights	224
8. Nomination and Scheduling of Service	231
9. Curtailment and Interruption	241
10. Points of Receipt	245
11. Points of Delivery	252
12. Conditions of Receipt and Delivery	257
13. Policy for Construction of New Receipt or Delivery Facilities	284
14. Pooling and In-field Transfers of Storage Inventory	286
15. Procedures For Capacity Release	288
16. Reserved for Future Use	299
17. Statements and Payments	300
18. Periodic Rate Adjustments and Surcharges	304
19. Warranty and Assignments	327
20. Force Majeure	328
21. Termination for Default	329
22. Regulations	330
23. Operating Conditions in Conjunction with Affiliates	331
24. Fuel Reimbursement Adjustment	332
25. Flow Through of Cash-out Revenues and Penalties . . .	334
26. Reserved for Future Use	338
27. Miscellaneous	339

TABLE OF CONTENTS
(Continued)

Sheet No.

FORM OF SERVICE AGREEMENTS

FT - Firm Transportation Service 500

EFT - Enhanced Firm Transportation Service 515

SCT - Small Customer Firm Transportation Service . . . 530

IT - Interruptible Transportation Service 543

EIT - Enhanced Interruptible Transportation Service . 556

IOS - In/Out Storage Service 569

IIOS - Interruptible In/Out Storage Service 577

WS - Winter Storage Service 583

IWS - Interruptible Winter Storage Service 591

PS - Peaking Storage Service 598

GDS - General Delivery Service 607

TBS - Transportation Balancing Service 621

Messenger - Messenger 629

FS - Flexible Storage Service 636

LFT - Limited Firm Transportation Service 644

GPS - Gas Parking Service 659

Capacity Release 665

HFT - Hourly Firm Transportation 674

DVS - Delivery Variance Service 689

TABLE OF CONTENTS

ORIGINAL VOLUME NO. 2

Rate Schedule		Sheet No.
E-17	National Helium Corporation	3365

PRELIMINARY STATEMENT

Panhandle Eastern Pipe Line Company, LP is a Natural Gas company engaged in the business of transporting and storing Natural Gas. Panhandle provides service to a variety of Shippers in the United States and Canada, principally in the territory traversed by its pipeline system in the States of Texas, Kansas, Missouri, Illinois, Indiana, Ohio, and Michigan. Its main transmission line extends in a northeasterly direction from its principal sources of supply in the States of Texas, Oklahoma, and Kansas into the State of Michigan up to the international boundary between the United States and Canada. Panhandle also leases extensive underground Natural Gas Storage facilities.

The Transportation and Storage of Natural Gas is undertaken by the Company only under written contracts acceptable to the Company after consideration of its commitments to others, delivery capacity, and other pertinent factors.

This FERC Gas Tariff is filed in compliance with Part 154, Subpart A, and Part 284, Subpart A, Chapter 1, Title 18 of the Code of Federal Regulations.

Original Sheet No. 3 Original Sheet No. 3 : Effective

SYSTEM MAP APPEARS HERE

Information has been removed for Non-Internet Public treatment.

Effective Date: 06/01/2009 Status: Pending
FERC Docket: RP09-534-000

First Revised Sheet No. 3 First Revised Sheet No. 3
Superseding: Original Sheet No. 3

SYSTEM MAP APPEARS HERE

Effective Date: 06/01/2005 Status: Effective
FERC Docket: RP05-308-000

First Revised Sheet No. 3A First Revised Sheet No. 3A : Effective
Superseding: Original Sheet No. 3A

FIELD ZONE MAP APPEARS HERE

Information has been removed for Non-Internet Public treatment.

Effective Date: 06/01/2009 Status: Pending
FERC Docket: RP09-534-000

Second Revised Sheet No. 3A Second Revised Sheet No. 3A
Superseding: First Revised Sheet No. 3A

FIELD ZONE MAP APPEARS HERE

Effective Date: 06/01/2010 Status: Pending
FERC Docket: RP10-683-000

Third Revised Sheet No. 3A Third Revised Sheet No. 3A
Superseding: Second Revised Sheet No. 3A

FIELD ZONE MAP APPEARS HERE

Effective Date: 06/01/2008 Status: Effective
FERC Docket: RP08-352-000

Fourth Revised Sheet No. 3B Fourth Revised Sheet No. 3B : Pending
Superseding: Third Revised Sheet No. 3B

MARKET ZONE MAP APPEARS HERE

Effective Date: 06/01/2009 Status: Pending
FERC Docket: RP09-534-000

Fifth Revised Sheet No. 3B Fifth Revised Sheet No. 3B
Superseding: Fourth Revised Sheet No. 3B

MARKET ZONE MAP APPEARS HERE

Sixth Revised Sheet No. 3B Sixth Revised Sheet No. 3B
Superseding: Fifth Revised Sheet No. 3B

MARKET ZONE MAP APPEARS HERE

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 8.67	-	-	$ 8.67	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 4.73	-	-	$ 4.73	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 2.80	-	-	$ 2.80	9.21 ¢	-	-
Commodity Rate	0.03 ¢	-	0.19 ¢	0.22 ¢	-	0.03 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.60			$ 0.60	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 1.20			$ 1.20	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.80			$ 1.80	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 2.40			$ 2.40	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 3.00			$ 3.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 3.60			$ 3.60	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 4.20			$ 4.20	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 4.80			$ 4.80	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 5.40			$ 5.40	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 6.00			$ 6.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective

Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 8.67	-	-	$ 8.67	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 4.73	-	-	$ 4.73	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 2.80	-	-	$ 2.80	9.21 ¢	-	-
Commodity Rate	0.03 ¢	-	0.19 ¢	0.22 ¢	-	0.03 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.60			$ 0.60	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 1.20			$ 1.20	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.80			$ 1.80	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 2.40			$ 2.40	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 3.00			$ 3.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 3.60			$ 3.60	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 4.20			$ 4.20	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 4.80			$ 4.80	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 5.40			$ 5.40	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 6.00			$ 6.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective

Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE EFT
ENHANCED FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 8.67	-	-	$ 8.67	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 4.73	-	-	$ 4.73	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 3.30	-	-	$ 3.30	10.85 ¢	-	-
Commodity Rate	0.06 ¢	-	0.19 ¢	0.25 ¢	-	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.60			$ 0.60	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 1.20			$ 1.20	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.80			$ 1.80	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 2.40			$ 2.40	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 3.00			$ 3.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 3.60			$ 3.60	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 4.20			$ 4.20	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 4.80			$ 4.80	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 5.40			$ 5.40	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 6.00			$ 6.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently

effective Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE EFT
ENHANCED FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 8.67	-	-	$ 8.67	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 4.73	-	-	$ 4.73	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 3.30	-	-	$ 3.30	10.85 ¢	-	-
Commodity Rate	0.06 ¢	-	0.19 ¢	0.25 ¢	-	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.60			$ 0.60	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 1.20			$ 1.20	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.80			$ 1.80	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 2.40			$ 2.40	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 3.00			$ 3.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 3.60			$ 3.60	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 4.20			$ 4.20	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 4.80			$ 4.80	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 5.40			$ 5.40	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 6.00			$ 6.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently

effective Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE SCT
SMALL CUSTOMER TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering Charge	54.45 ¢	-	0.19 ¢	54.64 ¢	28.66 ¢	0.16 ¢	0.73 %
Transmission Charge							
Field Zone	31.57 ¢	-	0.19 ¢	31.76 ¢	17.50 ¢	1.95 ¢	0.65 %
Market Zone							
Access Charge	20.73 ¢	-	0.19 ¢	20.92 ¢	10.91 ¢	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100	4.01 ¢			4.01 ¢	2.22 ¢	0.25 ¢	0.57 %
101 - 200	8.02			8.02	4.44	0.50	1.14
201 - 300	12.03			12.03	6.66	0.75	1.71
301 - 400	16.04			16.04	8.88	1.00	2.28
401 - 500	20.05			20.05	11.10	1.25	2.85
501 - 600	24.06			24.06	13.32	1.50	3.42
601 - 700	28.07			28.07	15.54	1.75	3.99
701 - 800	32.08			32.08	17.76	2.00	4.56
801 - 900	36.09			36.09	19.98	2.25	5.13
901 - 1000	40.10			40.10	22.20	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective Sheet No. 19. Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE SCT
SMALL CUSTOMER TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering Charge	54.45 ¢	-	0.19 ¢	54.64 ¢	28.66 ¢	0.16 ¢	0.73 %
Transmission Charge							
Field Zone	31.57 ¢	-	0.19 ¢	31.76 ¢	17.50 ¢	1.95 ¢	0.65 %
Market Zone							
Access Charge	20.73 ¢	-	0.19 ¢	20.92 ¢	10.91 ¢	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100	4.01 ¢			4.01 ¢	2.22 ¢	0.25 ¢	0.57 %
101 - 200	8.02			8.02	4.44	0.50	1.14
201 - 300	12.03			12.03	6.66	0.75	1.71
301 - 400	16.04			16.04	8.88	1.00	2.28
401 - 500	20.05			20.05	11.10	1.25	2.85
501 - 600	24.06			24.06	13.32	1.50	3.42
601 - 700	28.07			28.07	15.54	1.75	3.99
701 - 800	32.08			32.08	17.76	2.00	4.56
801 - 900	36.09			36.09	19.98	2.25	5.13
901 - 1000	40.10			40.10	22.20	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective Sheet No. 19. Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering Charge	28.66 ¢	-	0.19 ¢	28.85 ¢	0.16 ¢	0.73 %
Transmission Charge						
Field Zone	17.50 ¢	-	0.19 ¢	17.69 ¢	1.95 ¢	0.65 %
Market Zone						
Access Charge	9.24 ¢	-	0.19 ¢	9.43 ¢	0.03 ¢	-
Mileage Charge (per 100 Miles)						
1 - 100	2.22 ¢			2.22 ¢	0.25 ¢	0.57 %
101 - 200	4.44			4.44	0.50	1.14
201 - 300	6.66			6.66	0.75	1.71
301 - 400	8.88			8.88	1.00	2.28
401 - 500	11.10			11.10	1.25	2.85
501 - 600	13.32			13.32	1.50	3.42
601 - 700	15.54			15.54	1.75	3.99
701 - 800	17.76			17.76	2.00	4.56
801 - 900	19.98			19.98	2.25	5.13
901 - 1000	22.20			22.20	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective Sheet No. 19. Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering Charge	28.66 ¢	-	0.19 ¢	28.85 ¢	0.16 ¢	0.73 %
Transmission Charge						
Field Zone	17.50 ¢	-	0.19 ¢	17.69 ¢	1.95 ¢	0.65 %
Market Zone						
Access Charge	9.24 ¢	-	0.19 ¢	9.43 ¢	0.03 ¢	-
Mileage Charge (per 100 Miles)						
1 - 100	2.22 ¢			2.22 ¢	0.25 ¢	0.57 %
101 - 200	4.44			4.44	0.50	1.14
201 - 300	6.66			6.66	0.75	1.71
301 - 400	8.88			8.88	1.00	2.28
401 - 500	11.10			11.10	1.25	2.85
501 - 600	13.32			13.32	1.50	3.42
601 - 700	15.54			15.54	1.75	3.99
701 - 800	17.76			17.76	2.00	4.56
801 - 900	19.98			19.98	2.25	5.13
901 - 1000	22.20			22.20	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective Sheet No. 19. Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE EIT
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering Charge	28.66 ¢	-	0.19 ¢	28.85 ¢	0.16 ¢	0.73 %
Transmission Charge						
Field Zone	17.50 ¢	-	0.19 ¢	17.69 ¢	1.95 ¢	0.65 %
Market Zone						
Access Charge	10.91 ¢	-	0.19 ¢	11.10 ¢	0.06 ¢	-
Mileage Charge (per 100 Miles)						
1 - 100	2.22 ¢			2.22 ¢	0.25 ¢	0.57 %
101 - 200	4.44			4.44	0.50	1.14
201 - 300	6.66			6.66	0.75	1.71
301 - 400	8.88			8.88	1.00	2.28
401 - 500	11.10			11.10	1.25	2.85
501 - 600	13.32			13.32	1.50	3.42
601 - 700	15.54			15.54	1.75	3.99
701 - 800	17.76			17.76	2.00	4.56
801 - 900	19.98			19.98	2.25	5.13
901 - 1000	22.20			22.20	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective Sheet No. 19. Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE EIT
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering Charge	28.66 ¢	-	0.19 ¢	28.85 ¢	0.16 ¢	0.73 %
Transmission Charge						
Field Zone	17.50 ¢	-	0.19 ¢	17.69 ¢	1.95 ¢	0.65 %
Market Zone						
Access Charge	10.91 ¢	-	0.19 ¢	11.10 ¢	0.06 ¢	-
Mileage Charge (per 100 Miles)						
1 - 100	2.22 ¢			2.22 ¢	0.25 ¢	0.57 %
101 - 200	4.44			4.44	0.50	1.14
201 - 300	6.66			6.66	0.75	1.71
301 - 400	8.88			8.88	1.00	2.28
401 - 500	11.10			11.10	1.25	2.85
501 - 600	13.32			13.32	1.50	3.42
601 - 700	15.54			15.54	1.75	3.99
701 - 800	17.76			17.76	2.00	4.56
801 - 900	19.98			19.98	2.25	5.13
901 - 1000	22.20			22.20	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently effective Sheet No. 19. Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE IOS
IN/OUT STORAGE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Deliverability Charge	$ 3.35 1/	-	-
Capacity Charge	40.28¢ 1/	-	-
Injection Charge	0.33	0.33¢	1.59%
Withdrawal Charge	0.33	0.33	0.72
Overrun Charge	14.85	-	-

1/ Maximum rate applicable for capacity release with a term of more than one year.

Effective Date: 11/01/2009 Status: Effective
FERC Docket: RP10-10-000

Seventh Revised Sheet No. 10 Seventh Revised Sheet No. 10
Superseding: Sixth Revised Sheet No. 10

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE IIOS
INTERRUPTIBLE IN/OUT STORAGE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Monthly Inventory Charge	14.85¢	-	-
Injection Charge	0.33	0.33¢	1.59%
Withdrawal Charge	0.33	0.33	0.72

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE WS
WINTER STORAGE SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Market Area			
Deliverability Charge	$ 2.97 1/	-	-
Capacity Charge	42.46¢ 1/	-	-
Injection Charge	3.85	3.85¢	1.79%
Withdrawal Charge	3.85	3.85	1.57
Overrun Charge	13.50	-	-
Field Area			
Deliverability Charge	$ 3.35 1/	-	-
Capacity Charge	40.28 1/	-	-
Injection Charge	0.33	0.33¢	1.59%
Withdrawal Charge	0.33	0.33	0.72
Overrun Charge	14.85	-	-

1/ Maximum rate applicable for capacity release with a term of more than one year.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE PS
PEAKING STORAGE SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Deliverability Charge	$ 2.97 1/	-	-
Capacity Charge	42.46¢ 1/	-	-
Injection Charge	3.85	3.85¢	1.79%
Withdrawal Charge	3.85	3.85	1.57
Overrun Charge	13.50	-	-

1/ Maximum rate applicable for capacity release with a term of more than one year.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE IWS
INTERRUPTIBLE WINTER STORAGE SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Market Area			
Monthly Inventory Charge	13.50¢	-	-
Injection Charge	3.85	3.85¢	1.79%
Withdrawal Charge	3.85	3.85	1.57
Field Area			
Monthly Inventory Charge	14.85¢	-	-
Injection Charge	0.33	0.33¢	1.59%
Withdrawal Charge	0.33	0.33	0.72

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE FS
FLEXIBLE STORAGE SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Market Area			
Deliverability Charge	$ 2.97 1/	-	-
Capacity Charge	42.46¢ 1/	-	-
Injection Charge	3.85	3.85¢	1.79%
Withdrawal Charge	3.85	3.85	1.57
Overrun Charge	13.50	-	-
Field Area			
Deliverability Charge	$ 3.35 1/	-	-
Capacity Charge	40.28¢ 1/	-	-
Injection Charge	0.33	0.33¢	1.59%
Withdrawal Charge	0.33	0.33	0.72
Overrun Charge	14.85	-	-

1/ Maximum rate applicable for capacity release with a term of more than one year.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE LFT
LIMITED FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 5.82	-	-	$ 5.82	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 3.17	-	-	$ 3.17	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 2.22	-	-	$ 2.22	10.85 ¢	-	-
Commodity Rate	0.06 ¢	-	0.19 ¢	0.25 ¢	-	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.40			$ 0.40	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 0.80			$ 0.80	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.20			$ 1.20	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 1.60			$ 1.60	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 2.00			$ 2.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 2.40			$ 2.40	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 2.80			$ 2.80	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 3.20			$ 3.20	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 3.60			$ 3.60	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 4.00			$ 4.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently

effective Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE LFT
LIMITED FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description		Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering								
Reservation Rate		$ 5.82	-	-	$ 5.82	28.50 ¢	-	-
Commodity Rate		0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge								
Field Zone								
Reservation Rate		$ 3.17	-	-	$ 3.17	15.55 ¢	-	-
Commodity Rate		1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone								
Access Charge		$ 2.22	-	-	$ 2.22	10.85 ¢	-	-
Commodity Rate		0.06 ¢	-	0.19 ¢	0.25 ¢	-	0.06 ¢	-
Mileage Charge (per 100 Miles)								
1 - 100	Reservation Rate	$ 0.40			$ 0.40	1.97 ¢	-	-
	Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200	Reservation Rate	$ 0.80			$ 0.80	3.94	-	-
	Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300	Reservation Rate	$ 1.20			$ 1.20	5.91	-	-
	Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400	Reservation Rate	$ 1.60			$ 1.60	7.88	-	-
	Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500	Reservation Rate	$ 2.00			$ 2.00	9.85	-	-
	Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600	Reservation Rate	$ 2.40			$ 2.40	11.82	-	-
	Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700	Reservation Rate	$ 2.80			$ 2.80	13.79	-	-
	Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800	Reservation Rate	$ 3.20			$ 3.20	15.76	-	-
	Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900	Reservation Rate	$ 3.60			$ 3.60	17.73	-	-
	Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000	Reservation Rate	$ 4.00			$ 4.00	19.70	-	-
	Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently

effective Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE GPS
GAS PARKING SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt. Per Day	Minimum Rate Per Dt. Per Day
Market Zone		
Daily Parking Rate	12.24 ›	0.00 ›
Field Zone		
Daily Parking Rate	11.80 ›	0.00 ›

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE HFT
HOURLY FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 8.67	-	-	$ 8.67	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 4.73	-	-	$ 4.73	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 3.30	-	-	$ 3.30	10.85 ¢	-	-
Commodity Rate	0.06 ¢	-	0.19 ¢	0.25 ¢	-	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.60			$ 0.60	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 1.20			$ 1.20	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.80			$ 1.80	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 2.40			$ 2.40	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 3.00			$ 3.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 3.60			$ 3.60	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 4.20			$ 4.20	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 4.80			$ 4.80	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 5.40			$ 5.40	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 6.00			$ 6.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

Surcharges

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently

effective Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE HFT
HOURLY FIRM TRANSPORTATION SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Base Rate Per Dt.	Section 25.1 Adjustment	Section 18 Surch. 1/	Maximum Rate Per Dt.	Overrun Charge Per Dt. 2/	Minimum Rate Per Dt.	Fuel Reimbursement
Gathering							
Reservation Rate	$ 8.67	-	-	$ 8.67	28.50 ¢	-	-
Commodity Rate	0.16 ¢	-	0.19 ¢	0.35 ¢	-	0.16 ¢	0.73 %
Transmission Charge							
Field Zone							
Reservation Rate	$ 4.73	-	-	$ 4.73	15.55 ¢	-	-
Commodity Rate	1.95 ¢	-	0.19 ¢	2.14 ¢	-	1.95 ¢	0.65 %
Market Zone							
Access Charge	$ 3.30	-	-	$ 3.30	10.85 ¢	-	-
Commodity Rate	0.06 ¢	-	0.19 ¢	0.25 ¢	-	0.06 ¢	-
Mileage Charge (per 100 Miles)							
1 - 100 Reservation Rate	$ 0.60			$ 0.60	1.97 ¢	-	-
Commodity Rate	0.25 ¢			0.25 ¢	-	0.25 ¢	0.57 %
101 - 200 Reservation Rate	$ 1.20			$ 1.20	3.94	-	-
Commodity Rate	0.50 ¢			0.50 ¢	-	0.50	1.14
201 - 300 Reservation Rate	$ 1.80			$ 1.80	5.91	-	-
Commodity Rate	0.75 ¢			0.75 ¢	-	0.75	1.71
301 - 400 Reservation Rate	$ 2.40			$ 2.40	7.88	-	-
Commodity Rate	1.00 ¢			1.00 ¢	-	1.00	2.28
401 - 500 Reservation Rate	$ 3.00			$ 3.00	9.85	-	-
Commodity Rate	1.25 ¢			1.25 ¢	-	1.25	2.85
501 - 600 Reservation Rate	$ 3.60			$ 3.60	11.82	-	-
Commodity Rate	1.50 ¢			1.50 ¢	-	1.50	3.42
601 - 700 Reservation Rate	$ 4.20			$ 4.20	13.79	-	-
Commodity Rate	1.75 ¢			1.75 ¢	-	1.75	3.99
701 - 800 Reservation Rate	$ 4.80			$ 4.80	15.76	-	-
Commodity Rate	2.00 ¢			2.00 ¢	-	2.00	4.56
801 - 900 Reservation Rate	$ 5.40			$ 5.40	17.73	-	-
Commodity Rate	2.25 ¢			2.25 ¢	-	2.25	5.13
901 - 1000 Reservation Rate	$ 6.00			$ 6.00	19.70	-	-
Commodity Rate	2.50 ¢			2.50 ¢	-	2.50	5.70

1/ Surcharges pursuant to Section 18.2 of the General Terms and Conditions. See currently

effective Sheet No. 19. Reservation and Commodity surcharges will be billed in accordance with the provisions of the General Terms and Conditions under which they are authorized.

2/ Maximum firm volumetric rate applicable for capacity release with a term of more than one year, exclusive of surcharges.

Effective Date: 11/01/2009 Status: Effective
FERC Docket: RP10-10-000

Seventh Revised Sheet No. 18 Seventh Revised Sheet No. 18
Superseding: Sixth Revised Sheet No. 18

CURRENTLY EFFECTIVE RATES
RATE SCHEDULE DVS
DELIVERY VARIANCE SERVICE

Each rate set forth on this tariff sheet is the currently effective rate pertaining to the particular rate schedule to which it is referenced, but each such rate is separate and independent and the change in any such rate shall not thereby effect a change in any other rate schedule.

Description	Maximum Rate Per Dt.	Minimum Rate Per Dt.	Fuel Reimbursement
Reservation Rate	$ 6.71	-	
Commodity Rate	0.0066	$ 0.0066	2.31 %

CURRENTLY EFFECTIVE RATES

STATEMENT OF SURCHARGES

General Terms & Conditions Section	Description	Firm Transportation Reservation	Firm Transportation Commodity 1/	Interruptible Transportation Commodity 2/	SCT Commodity 3/
18.2	ACA	-	0.19 ¢	0.19 ¢	0.19 ¢
		-	0.19 ¢	0.19 ¢	0.19 ¢

1/ Applicable to Transportation provided pursuant to Rate Schedules FT, EFT, LFT and HFT.

2/ Applicable to Transportation provided pursuant to Rate Schedules IT and EIT.

3/ Applicable to Transportation provided pursuant to Rate Schedule SCT.

CUSTOMIZED RESERVATION PATTERN (CRP)
MAXIMUM RESERVATION RATES
EFFECTIVE NOVEMBER 1, ____ TO OCTOBER 31, ____

Shipper	Rate Schedule	November ____ $/Dt.	December ____ $/Dt.	January _____ $/Dt.	February ____ $/Dt.	March ____ $/Dt.
		-	-	-	-	-

Shipper	Rate Schedule	April ____ $/Dt.	May ____ $/Dt.	June ____ $/Dt.	July ____ $/Dt.	August ____ $/Dt.	September ____ $/Dt.	October ____ $/Dt.
		-	-	-	-	-	-	-

RESERVED FOR FUTURE USE

NEGOTIATED RATES

Shipper	Rate Schedule	Negotiated Rate	Quantity	Point(s) of Receipt	Point(s) of Delivery

These negotiated rate agreements do not deviate in any material respect from the form of service agreement in the tariff.

Effective Date: 06/30/2004 Status: Effective
FERC Docket: RP04-321-000

Sheet Nos. 22-29 Sheet Nos. 22-29 : Effective

RESERVED FOR FUTURE USE.

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

(b) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper; and

(c) which receives such Gas from Panhandle at a physical Point(s) of Delivery equipped with a Flow Control Device or at a Pool Point(s).

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the firm Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement on a uniform hourly basis up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement. Shipper's MDCQ shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDCQ for specified periods during the term of the Service Agreement. The effective period of each MDCQ level shall be specified in the executed Service Agreement.

Service at the primary and secondary Point(s) of Receipt and Point(s) of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 8 and 9 of the General Terms and Conditions.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under this Rate Schedule FT shall be as follows:

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Monthly Transmission Charge which consists of a reservation component and a commodity component.

(a) The reservation component of the Transmission Charge shall be the product of the MDCQ times the applicable Transmission reservation rates per Dt. as set forth on the effective Tariff Sheet No. 4. The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available. Shipper may elect to participate in the Customized Reservation Pattern program pursuant to Section 3.10 herein.

(b) The commodity component of the Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 4.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under this Rate Schedule FT shall be as follows:

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Monthly Transmission Charge which consists of a reservation component and a commodity component.

(a) The reservation component of the Transmission Charge shall be the product of the MDCQ times the applicable Transmission reservation rates per Dt. as set forth on the effective Tariff Sheet No. 4. The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available.

(b) The commodity component of the Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 4.

(c) If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 4 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market Zone, the applicable rates shall be as set forth on effective Tariff Sheet No. 4 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

3.2 Gathering Charge

If Shipper designates primary Point(s) of Receipt or Point(s) of Delivery on the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for firm service hereunder, Shipper shall pay a Monthly Gathering Charge which shall consist of a reservation component and a commodity component.

(a) The reservation component of the Gathering Charge shall be the product of the MDCQ times the applicable reservation rate per Dt. as set forth on the effective Tariff Sheet No. 4. The reservation component shall be pro rated for the first and last contract Months to adjust for the number of Days during the Months service was available.

(b) The commodity component of the Gathering Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable commodity rate per Dt. as set forth on the effective Tariff Sheet No. 4.

If Shipper designates a Point(s) of Receipt on the Gathering portion of Panhandle's system as a secondary firm Point(s) of Receipt pursuant to Section 10.3(c) of the General Terms and Conditions, the otherwise applicable charges shall also include the Gathering commodity rate and overrun charge per Dt. as set forth on effective Tariff Sheet No. 4.

3.3 Special Rate for Limited Class of Backhaul Service

For firm service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission charge per Dt. as set forth on the effective Tariff Sheet No. 4. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

3.4 Transportation Involving Pooling

The rates for firm Transportation under Rate Schedule FT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that the rates charged for service under a Pooling Transportation Agreement shall not include the Field Zone Transmission Charges, so long as title to such Gas passes to another Shipper and the Quantities of Gas are delivered for immediate receipt and subsequent Transportation on Panhandle's system under a Service Agreement to which the Field Zone Transmission Charges apply. If the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.6 Overrun Charges and Unauthorized Overrun Penalties

(a) Overrun Charge for Takes in Excess of MDCQ

If during one or more Days in the billing Month Shipper takes Quantities of Gas in excess of the applicable Maximum Daily Contract Quantity as stated in the Service Agreement (hereinafter called overrun quantities) for firm service hereunder, Shipper shall be subject to an Overrun Charge in addition to the applicable reservation and commodity charges and any balancing charges that may be applicable pursuant to Section 12 of the General Terms and Conditions. The applicable Overrun Charge per Dt. for such overrun quantities shall be as set forth on the effective Tariff Sheet No. 4. In addition, subject to the provisions of Section 3.6(b) of this Rate Schedule, Shipper shall be subject to an Unauthorized Overrun Penalty as set forth in Section 12.16 of the General Terms and Conditions.

(b) Unauthorized Overrun Penalty for Takes During an OFO

Panhandle may issue an OFO and, if it does so, Panhandle shall notify Shippers through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Once issued the OFO shall continue until Panhandle notifies Shippers to the contrary using the above methods. If the OFO requires the elimination of unauthorized overruns, the applicable Unauthorized Overrun Penalty shall be as set forth in Section 12.17(f)(ii) of the General Terms and Conditions.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 4 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 4 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

3.10 Customized Reservation Pattern (CRP)

(a) The CRP election provides an alternative method of paying the uniform monthly billing of the Reservation Charge set forth on the effective Tariff Sheet No. 4. Billing and payment of CRP Reservation Charges shall be in accordance with the reservation pattern elected by Shipper. Rates reflecting such Shipper CRP election shall be posted on the Messenger system and will be filed with the Commission on or before the first day of the Month of effectiveness of such election. The total annual Reservation Charges resulting from CRP will equal the total Reservation Charges Shipper would pay without the CRP election for the same annual period. An adjustment, if necessary, will be included on the invoice for the last month of the CRP period to ensure that the total Reservation Charges due Panhandle under Panhandle's uniform currently effective rates equals the Reservation Charges received by Panhandle under the CRP rates.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 4 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 4 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

3.10 This Section 3.10 is intentionally left blank.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

All rights and obligations of Section 17 of the General Terms and Conditions shall apply to the Reservation Charge for each billing Month as elected by Shipper. In the event any CRP invoice shall be based on rates in effect subject to refund and refunds shall be required, refunds shall be calculated as if the CRP election had not been made.

(b) Shipper may elect flexible maximum reservation charges under CRP that are derived from the maximum uniform charges for service on the effective Tariff Sheet No. 4; provided, however, CRP election is not available to a Shipper with an effective rate agreement pursuant to Section 3.7 herein nor a Replacement Shipper pursuant to Section 15 of the General Terms and Conditions. Shipper shall submit to Panhandle an executed Exhibit B to its Service Agreement in order to participate in the CRP program.

In addition to the otherwise applicable charges set forth for monthly service on the effective Tariff Sheet No. 4 for November through March, a Shipper electing CRP will be allowed to pay up to 80% of the Reservation Charges due for the period April through October in the preceding November through March period. CRP elections which specify the portion of the April through October Reservation Charges to be paid during the preceding November through March period will be due by October 1 of each year to be effective November 1. Revised CRP elections will be allowed up to the fifteenth Business Day preceding the Month of Gas flow, for prospective application only, so long as the Shipper's total annual obligations for Reservation Charges during the 12 month CRP Period are not affected by such revisions and provided that such revisions do not result in the Reservation Charge for any month during the April through October period exceeding the charge which would have been applicable had the CRP election not been made.

(c) Maximum CRP reservation rates for each Shipper shall be reflected on effective Tariff Sheet No. 20.

RESERVED FOR FUTURE USE

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

(d) The usage rates set forth on effective Tariff Sheet No. 4 shall not be affected by the provisions of this Section 3.10.

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit B of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE EFT
ENHANCED FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

(b) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper; and

(c) which receives such Gas from Panhandle at a physical Point(s) of Delivery or at a Pool Point(s).

This service is available for firm service at a Point(s) of Delivery without regard to the presence of a Flow Control Device.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the firm Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement on a basis consistent with Section 5 hereof. Shipper's MDCQ shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDCQ for specified periods during the term of the Service Agreement. The effective period of each MDCQ level shall be specified in the executed Service Agreement.

Service at the primary and secondary Point(s) of Receipt and Point(s) of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 8 and 9 of the General Terms and Conditions.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under this Rate Schedule EFT shall be as follows:

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Monthly Transmission Charge which consists of a reservation component and a commodity component.

(a) The reservation component of the Transmission Charge shall be the product of the MDCQ times the applicable Transmission reservation rates per Dt. as set forth on the effective Tariff Sheet No. 5. The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available. Shipper may elect to participate in the Customized Reservation Pattern program pursuant to Section 3.10 herein.

(b) The commodity component of the Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 5.

(c) If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 5 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under this Rate Schedule EFT shall be as follows:

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Monthly Transmission Charge which consists of a reservation component and a commodity component.

(a) The reservation component of the Transmission Charge shall be the product of the MDCQ times the applicable Transmission reservation rates per Dt. as set forth on the effective Tariff Sheet No. 5. The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available.

(b) The commodity component of the Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 5.

(c) If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 5 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market

Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 5 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

3.2 Gathering Charge

If Shipper designates primary Point(s) of Receipt or Point(s) of Delivery on the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for firm service hereunder, Shipper shall pay a Monthly Gathering Charge which shall consist of a reservation component and a commodity component.

(a) The reservation component of the Gathering Charge shall be the product of the MDCQ times the applicable reservation rate per Dt. as set forth on the effective Tariff Sheet No. 5. The reservation component shall be pro rated for the first and last contract Months to adjust for the number of Days during the Months service was available.

(b) The commodity component of the Gathering Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable commodity rate per Dt. as set forth on the effective Tariff Sheet No. 5.

If Shipper designates a Point(s) of Receipt on the Gathering portion of Panhandle's system as a secondary firm Point(s) of Receipt pursuant to Section 10.3(c) of the General Terms and Conditions, the otherwise applicable charges shall also include the Gathering commodity rate and overrun charge per Dt. as set forth on the effective Tariff Sheet No. 5.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

3.3 Special Rate for Limited Class of Backhaul Service

For firm service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission charge per Dt. as set forth on the effective Tariff Sheet No. 5. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

3.4 Transportation Involving Pooling

The rates for firm Transportation under Rate Schedule EFT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that the rates charged for service under a Pooling Transportation Agreement shall not include the Field Zone Transmission Charges, so long as title to such Gas passes to another Shipper and the Quantities of Gas are delivered for immediate receipt and subsequent Transportation on Panhandle's system under a Service Agreement to which the Field Zone Transmission Charges apply. If the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

3.6 Overrun Charges and Unauthorized Overrun Penalties

(a) Overrun Charge for Takes in Excess of MDCQ

If during one or more Days in the billing Month Shipper takes Quantities of Gas in excess of the applicable Maximum Daily Contract Quantity as stated in the Service Agreement (hereinafter called overrun quantities) for firm service hereunder, Shipper shall be subject to an Overrun Charge in addition to the applicable reservation and commodity charges and any balancing charges that may be applicable pursuant to Section 12 of the General Terms and Conditions. The applicable Overrun Charge per Dt. for such overrun quantities shall be as set forth on the effective Tariff Sheet No. 5. In addition, subject to the provisions of Section 3.6(c) of this Rate Schedule, Shipper shall be subject to an Unauthorized Overrun Penalty as set forth in Section 12.16 of the General Terms and Conditions.

(b) Takes in Excess of Permissible Hourly Deliveries

If, pursuant to Section 5 hereof, Shipper has been notified that it must limit takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery, Shipper must use its best efforts to limit its takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery as soon as possible, but in no event later than two hours following notification. If, after such two hours, the Shipper's takes exceed such hourly limitation for any hour during the next twenty-four hour period, Shipper shall pay the overrun charges as set forth on the effective Tariff Sheet No. 5, in addition to the applicable commodity rates.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

(c) Unauthorized Overrun Penalty for Takes During an OFO

Panhandle may issue an OFO and, if it does so, Panhandle shall notify Shippers through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Once issued the OFO shall continue until Panhandle notifies Shippers to the contrary using the above methods. If the OFO requires the elimination of unauthorized overruns, the applicable Unauthorized Overrun Penalty shall be as set forth in Section 12.17(f)(ii) of the General Terms and Conditions.

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 5 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 5 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

3.10 Customized Reservation Pattern (CRP)

(a) The CRP election provides an alternative method of paying the uniform monthly billing of the Reservation Charge set forth on the effective Tariff Sheet No. 5. Billing and payment of CRP Reservation Charges shall be in accordance with the reservation pattern elected by Shipper. Rates reflecting such Shipper CRP election shall be posted on the Messenger system and will be filed with the Commission on or before the first day of the Month of effectiveness of such election. The total annual Reservation Charges resulting from CRP will equal the total Reservation Charges Shipper would pay without the CRP election for the same annual period. An adjustment, if necessary, will be included on the invoice for the last month of the CRP period to ensure that the total Reservation Charges due Panhandle under Panhandle's uniform currently effective rates equals the Reservation Charges received by Panhandle under the CRP rates. All rights and obligations of Section 17 of the General Terms and Conditions shall apply to the Reservation Charge for each billing Month as elected by Shipper. In the event any CRP invoice shall be based on rates in effect subject to refund and refunds shall be required, refunds shall be calculated as if the CRP election had not been made.

(b) Shipper may elect flexible maximum reservation charges under CRP that are derived from the maximum uniform charges for service on the effective Tariff Sheet No. 5; provided, however, CRP election is not available to a Shipper with an effective rate agreement pursuant to Section 3.7 herein nor a Replacement Shipper pursuant to Section 15 of the General Terms and Conditions. Shipper shall submit to Panhandle an executed Exhibit B to its Service Agreement in order to participate in the CRP program.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

3.10 This Section 3.10 is intentionally left blank.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

In addition to the otherwise applicable charges set forth for monthly service on the effective Tariff Sheet No. 5 for November through March, a Shipper electing CRP™ will be allowed to pay up to 80% of the Reservation Charges due for the period April through October in the preceding November through March period. CRP™ elections which specify the portion of the April through October Reservation Charges to be paid during the preceding November through March period will be due by October 1 of each year to be effective November 1. Revised CRP™ elections will be allowed up to the fifteenth Business Day preceding the Month of Gas flow, for prospective application only, so long as the Shipper's total annual obligations for Reservation Charges during the 12 month CRP™ Period are not affected by such revisions and provided that such revisions do not result in the Reservation Charge for any month during the April through October period exceeding the charge which would have been applicable had the CRP™ election not been made.

(c) Maximum CRP™ reservation rates for each Shipper shall be reflected on effective Tariff Sheet No. 20.

(d) The usage rates set forth on effective Tariff Sheet No. 5 shall not be affected by the provisions of this Section 3.10.

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

5. HOURLY DELIVERIES

Shipper shall deliver or cause to be delivered Natural Gas for the account of Shipper on a uniform hourly basis as nearly as practicable. At each Point(s) of Delivery Shipper may receive from Panhandle in any hour such Quantities of Gas as it requires or as are consistent with available pipeline pressures at such point(s); provided that Panhandle shall be entitled to require Shipper to restrict takes at any point during any hour to one-sixteenth of the Natural Gas nominated for Transportation to that Point(s) of Delivery on that Day by notifying Shipper through the Messenger system, the Web Site and by telephone or facsimile communication.

6. RESERVATIONS

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

7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit B of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

5. HOURLY DELIVERIES

Shipper shall deliver or cause to be delivered Natural Gas for the account of Shipper on a uniform hourly basis as nearly as practicable. At each Point(s) of Delivery Shipper may receive from Panhandle in any hour such Quantities of Gas as it requires or as are consistent with available pipeline pressures at such point(s); provided that Panhandle shall be entitled to require Shipper to restrict takes at any point during any hour to one-sixteenth of the Natural Gas nominated for Transportation to that Point(s) of Delivery on that Day by notifying Shipper through the Messenger® system, the Web Site and by telephone or facsimile communication.

6. RESERVATIONS

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

7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE SCT
SMALL CUSTOMER TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which is a municipality or a small distribution company engaged in the resale of Natural Gas, or a Farm Tap or Irrigation Tap customer;

(b) which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule for a Maximum Daily Contract Quantity (MDCQ) not to exceed 10,000 Dt. per Day;

(c) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper;

(d) which receives such Gas from Panhandle at a physical Point(s) of Delivery; and

(e) which transports its total system requirements under this Rate Schedule, provided, however, that on any Day Shipper has taken its Maximum Daily Contract Quantity, Shipper may receive additional Quantities under Rate Schedule IT, EIT or pursuant to a Release Agreement under Section 15 of the General Terms and Conditions.

This service is available for firm service at a Point(s) of Delivery without regard to the presence of a Flow Control Device.

A Shipper with an executed Service Agreement under this Rate Schedule shall have its service and Service Agreement automatically converted to service and form of agreement under Rate Schedule EFT effective as of the date any Gas service is received through such Shipper's facilities other than under this Rate Schedule, except as provided in (e) above.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER TRANSPORTATION SERVICE

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the firm Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at the Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at the Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement (not to exceed 10,000 Dt. per Day) on a basis consistent with Section 5 hereof. Shipper's MDCQ shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDCQ for specified periods during the term of the Service Agreement. The effective period of each MDCQ level shall be specified in the executed Service Agreement.

Service provided at the primary and secondary Point(s) of Receipt and Point(s) of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of Sections 8 and 9 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under this Rate Schedule SCT shall be as set forth in this Section 3. All such rates and charges shall be determined based upon the Shipper's designation of its Primary Point(s) of Receipt and Primary Point(s) of Delivery without regard to the actual Points of Receipt or Delivery, except that Receipts or Deliveries of Gas outside the Shipper's Primary Path shall be charged at such higher rate, if any, as would be applicable had the actual Receipt or Delivery Point been designated as a Primary Point.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER TRANSPORTATION SERVICE

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, the applicable Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month up to Shipper's MDCQ times the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 6. If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 6 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 6 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

3.2 Gathering Charge

If Shipper designates a primary Point(s) of Receipt or a Point(s) of Delivery on the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for firm service hereunder, Shipper shall pay a Gathering charge which shall be the product of the actual Quantity of Gas delivered during the Month times the applicable commodity rate per Dt. as set forth on the effective Tariff Sheet No. 6.

If Shipper designates a Point(s) of Receipt on the Gathering portion of Panhandle's system as a secondary Point(s) of Receipt pursuant to Section 10.3(c) of the General Terms and Conditions, the otherwise applicable charges shall also include the Gathering commodity rate per Dt. as set forth on the effective Tariff Sheet No. 6.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER TRANSPORTATION SERVICE

3.3 Special Rate for Limited Class of Backhaul Service

For firm service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission charge per Dt. as set forth on the effective Tariff Sheet No. 6. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

3.4 Transportation Involving Pooling

The rates for firm Transportation under Rate Schedule SCT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that if the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone Charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.6 Overrun Charges and Unauthorized Overrun Penalties

(a) Overrun Charge for Takes in Excess of MDCQ

If during one or more Days in the billing Month Shipper takes Quantities of Gas in excess of the applicable Maximum Daily Contract Quantity as stated in the Service Agreement (hereinafter called overrun

quantities) for firm service hereunder, Shipper shall be subject to an Overrun Charge in addition to the applicable commodity charge and any balancing charges that may be applicable pursuant to Section 12 of the General Terms and Conditions. The applicable charge per Dt. for such overrun quantities shall be as set forth on the effective Tariff Sheet No. 6. In addition, subject to the provisions of Section 3.6(c) of this Rate Schedule, Shipper shall be subject to an Unauthorized Overrun Penalty as set forth in Section 12.16 of the General Terms and Conditions.

(b) Takes in Excess of Permissible Hourly Deliveries

If, pursuant to Section 5 hereof, Shipper has been notified that it must limit takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery, Shipper must use its best efforts to limit its takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery as soon as possible, but in no event later than two hours following notification. If, after such two hours, the Shipper's takes exceed such hourly limitation for any hour during the next twenty-four hour period, Shipper shall pay the overrun charges as set forth on the effective Tariff Sheet No. 6, in addition to the applicable commodity rates.

(c) Unauthorized Overrun Penalty for Takes During an OFO

Panhandle may issue an OFO and, if it does so, Panhandle shall notify Shippers through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Once issued the OFO shall continue until Panhandle notifies Shippers to the contrary using the above methods. If the OFO requires the elimination of unauthorized overruns, the applicable Unauthorized Overrun Penalty shall be as set forth in Section 12.17(f)(ii) of the General Terms and Conditions.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER TRANSPORTATION SERVICE

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 6 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 6 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER TRANSPORTATION SERVICE

5. HOURLY DELIVERIES

Shipper shall deliver or cause to be delivered Natural Gas for the account of Shipper on a uniform hourly basis as nearly as practicable. At each Point(s) of Delivery Shipper may receive from Panhandle in any hour such Quantities of Gas as it desires or as are consistent with available pipeline pressures at such point(s); provided that Panhandle shall be entitled to require Shipper to restrict takes at any point during any hour to one-sixteenth of the Natural Gas nominated for Transportation to that Point(s) of Delivery on that Day by notifying Shipper through the Messenger system, the Web Site and by telephone or facsimile communication.

6. RESERVATIONS

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

7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

(b) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper; and

(c) which receives such Gas from Panhandle at a physical Point(s) of Delivery equipped with a Flow Control Device or at a Pool Point(s).

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the interruptible Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at a Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement on a uniform hourly basis up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement, subject to the availability of capacity.

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE

3. RATES

The rates and charges for interruptible service under this Rate Schedule shall be as follows:

3.1 Transmission Charge

If Shipper designates interruptible Point(s) of Receipt or interruptible Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Transmission Charge which shall be the product of the actual Quantity of Gas delivered during the Month times the Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 7. If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rate shall be as set forth on the effective Tariff Sheet No. 7 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 7 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

3.2 Gathering Charge

If Shipper designates Point(s) of Receipt or Point(s) of Delivery on the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for interruptible service hereunder, Shipper shall pay a Gathering Charge which shall be the product of the actual Quantity of Gas delivered during the Month times the applicable rate per Dt. as set forth on the effective Tariff Sheet No. 7.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE

3.3 Special Rate for Limited Class of Backhaul Service

For interruptible service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission charge per Dt. as set forth on the effective Tariff Sheet No. 7. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

3.4 Transportation Involving Pooling

The rates for interruptible Transportation under Rate Schedule IT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that the rates charged for service under a Pooling Transportation Agreement shall not include Field Zone Transmission Charges, so long as title to such Gas passes to another Shipper and the Quantities of Gas are delivered for immediate receipt and subsequent Transportation on Panhandle's system under a Service Agreement to which Field Zone Transmission Charges apply. If the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE

3.6 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 7 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.7 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 7 for service hereunder.

3.8 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable balancing charges plus all applicable surcharges.

5. RESERVATIONS

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

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE EIT
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

(b) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper; and

(c) which receives such Gas from Panhandle at a Point(s) of Delivery on a basis consistent with Section 5, below.

This service is available for interruptible service at a Point(s) of Delivery without regard to the presence of a Flow Control Device.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the interruptible Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at the Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at a Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement, subject to the availability of capacity.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for interruptible service under this Rate Schedule shall be as follows:

3.1 Transmission Charge

If Shipper designates interruptible Point(s) of Receipt or interruptible Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Transmission Charge which shall be the product of the actual Quantity of Gas delivered during the Month times the Transmission commodity rate per Dt. as set forth on the effective Tariff Sheet No. 8. If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rate shall be as set forth on the effective Tariff Sheet No. 8 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 8 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

3.2 Gathering Charge

If Shipper designates Point(s) of Receipt or Point(s) of Delivery in the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for interruptible service hereunder, Shipper shall pay a Gathering Charge which shall be the product of the actual Quantity of Gas delivered during the Month times the applicable rate per Dt. as set forth on the effective Tariff Sheet No. 8.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

3.3 Special Rate for Limited Class of Backhaul Service

For interruptible service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission Charge per Dt. as set forth in the effective Tariff Sheet No. 8. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

3.4 Transportation Involving Pooling

The rates for interruptible Transportation under Rate Schedule EIT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that the rates charged for service under a Pooling Transportation Agreement shall not include Field Zone Transmission Charges, so long as title to such Gas passes to another Shipper and the Quantities of Gas are delivered for immediate receipt and subsequent Transportation on Panhandle's system under a Service Agreement to which Field Zone Transmission Charges apply. If the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

3.6 Overrun Charge for Takes During an OFO

Panhandle may issue an OFO and, if it does so, Panhandle shall notify Shippers through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Once issued the OFO shall continue until Panhandle notifies Shippers to the contrary using the above methods. If, during an OFO Shipper has been notified, pursuant to Section 5 hereof, that it must limit takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery, Shipper must use its best efforts to limit its takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery as soon as possible, but in no event later than two hours following notification. If, after such two hours, the Shipper's takes exceed such hourly limitation for any hour during the next twenty-four hour period, Shipper shall pay an Overrun Penalty as set forth in Section 12.17(f)(ii) of the General Terms and Conditions.

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 8 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 8 for service hereunder.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges plus all applicable surcharges.

5. HOURLY DELIVERIES

Shipper shall deliver Natural Gas or cause Natural Gas to be delivered for the account of Shipper on a uniform hourly basis as nearly as practicable. At each Point(s) of Delivery Shipper may receive from Panhandle in any hour such Quantities of Gas as it desires or as are consistent with available pipeline pressures at such point(s); provided that Panhandle shall be entitled to require Shipper to restrict takes at any point during any hour to one-sixteenth of the Natural Gas nominated for Transportation to that Point(s) of Delivery on that Day by notifying Shipper through the Messenger system, the Web Site and by telephone or facsimile communication.

6. RESERVATIONS

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

7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE IOS
IN/OUT STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper) which has executed a Service Agreement in the form prescribed under this Tariff for service under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle under firm, interruptible or third party transportation agreements at the IOS Point and nominated for Storage under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided hereunder consists of the injection by Panhandle of Shipper's Gas into Storage, Storage in Panhandle's Field Area Storage Facilities and the subsequent withdrawal from Storage of Shipper's Gas, all on a firm basis. Injections may be made at any time, subject to daily nomination by Shipper and available Maximum Stored Quantity. The Maximum Daily Injection Quantity (MDIQ) shall be 1/200th of the Maximum Stored Quantity. Withdrawals may be made at any time, subject to daily nomination by Shipper and available Stored Volume. The Maximum Daily Withdrawal Quantity (MDWQ) shall be 1/100th of the Maximum Stored Quantity. Shipper's Maximum Stored Quantity shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's Maximum Stored Quantity for specified periods during the term of the Service Agreement. The effective period of each Maximum Stored Quantity level shall be specified in the executed Service Agreement.

The available Stored Volume shall be increased, up to the Maximum Stored Quantity, by the Quantity of Gas Shipper transfers into IOS Storage in accordance with Section 14.2 of the General Terms and Conditions. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of IOS Storage in accordance with Section 14.2 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE

3. RATES

The rates and charges for Storage service under this Rate Schedule shall be as follows:

3.1 Capacity Charge

Shipper shall pay a Monthly Capacity Charge which shall be the product of 1/12th the Maximum Stored Quantity times the capacity charge per Dt. as set forth on the effective Tariff Sheet No. 9.

3.2 Deliverability Charge

Shipper shall pay a Monthly Deliverability Charge which shall be the product of the Maximum Daily Withdrawal Quantity times the deliverability charge per Dt. as set forth on the effective Tariff Sheet No. 9.

3.3 Injection Charge

Shipper shall pay an Injection Charge which shall be the product of the Quantity of Gas actually delivered at the IOS Point and injected into Storage during the Month times the injection charge per Dt. as set forth on the effective Tariff Sheet No. 9.

3.4 Withdrawal Charge

Shipper shall pay a Withdrawal Charge which shall be the product of the Quantity of Gas actually withdrawn from Storage and delivered to Shipper at the IOS Point during the Month times the withdrawal charge per Dt. as set forth on the effective Tariff Sheet No. 9.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE

3.6 Overrun Charge and Unauthorized Overrun Penalty

Shipper shall pay the overrun charge and, if applicable, the Unauthorized Overrun Penalty per Dt. of Gas actually delivered at the IOS Point and injected into Storage or withdrawn from Storage and delivered at the IOS Point during any Day in excess of the MDIQ and MDWQ set out in the Service Agreement, as applicable. The Overrun Charge per Dt. shall be as set forth on the effective Tariff Sheet No. 9 and the Unauthorized Overrun Penalty shall be as set forth in Sections 12.16 and 12.17 of the General Terms and Conditions.

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 9 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 9 for service hereunder.

3.9 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2, 3.3 and 3.4 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit A of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE

such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.9 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the capacity charge, the deliverability charge, the injection charge, the withdrawal charge, any overrun charges plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE IIOS
INTERRUPTIBLE IN/OUT STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper) which has executed a Service Agreement in the form prescribed under this Tariff for service under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle under firm, interruptible or third party transportation agreements at the IOS Point and nominated for Storage under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided hereunder consists of the injection by Panhandle of Shipper's Gas into Storage in Panhandle's Field Area Storage Facilities, Storage and the subsequent withdrawal from Storage of Shipper's Gas, all on an interruptible basis. Injections may be made at any time, subject to daily nomination by Shipper and available IIOS Maximum Stored Quantity. The Maximum Daily Injection Quantity shall be 1/200th of the Maximum Stored Quantity. Withdrawals may be made at any time, subject to daily nomination by Shipper, available Stored Volume and available capacity. The Maximum Daily Withdrawal Quantity shall be 1/100th of the Maximum Stored Quantity. Shipper may be required to withdraw all, or any part, of its Stored Volume under this IIOS Rate Schedule within 30 Days following notice from Panhandle. Any Stored Volume not withdrawn within 30 Days of Panhandle giving Shipper notice shall become the property of Panhandle at no cost to Panhandle, free and clear of any adverse claims.

The available Stored Volume shall be increased, up to the Maximum Stored Quantity, by the Quantity of Gas Shipper transfers into IIOS Storage in accordance with Section 14.2 of the General Terms and Conditions. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of IIOS Storage in accordance with Section 14.2 of the General Terms and Conditions.

RATE SCHEDULE IIOS (Continued)
INTERRUPTIBLE IN/OUT STORAGE SERVICE

In no event shall Panhandle be obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for Storage service under this Rate Schedule shall be as follows:

3.1 Monthly Inventory Charge

Shipper shall pay a Monthly Inventory Charge which shall be the product of the inventory charge per Dt. as set forth on the effective Tariff Sheet No. 10 times the average daily IIOS Stored Volume for the Month.

3.2 Injection Charge

Shipper shall pay an Injection Charge which shall be the product of the Quantity of Gas actually delivered at the IOS Point and injected into Storage during the Month times the injection charge per Dt. as set forth on the effective Tariff Sheet No. 10.

3.3 Withdrawal Charge

Shipper shall pay a Withdrawal Charge which shall be the product of the Quantity of Gas actually withdrawn from Storage and delivered to Shipper at the IOS Point during the Month times the withdrawal charge per Dt. as set forth on the effective Tariff Sheet No. 10.

3.4 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

RATE SCHEDULE IIOS (Continued)
INTERRUPTIBLE IN/OUT STORAGE SERVICE

3.5 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 10 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.6 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 10 for service hereunder.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Monthly inventory charge, the injection charge, the withdrawal charge, plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE WS
WINTER STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper) which has executed a Service Agreement in the form prescribed under this Tariff for service under this Rate Schedule for Storage service from either Panhandle's Market Area Storage Facilities or Field Area Storage Facilities.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle under firm, interruptible or third party transportation agreements at the applicable WS Point and nominated for Storage under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement. In addition, where Shipper is utilizing a third party to make Gas available for Storage in Panhandle's Market Area Storage Facilities under this Rate Schedule, the Shipper may designate as the WS Point an off-system Market Area Storage Facility that Panhandle has leased from a third party, subject to operational feasibility, the terms and conditions applicable to Panhandle's agreement with the third party providing the off-system storage, the General Terms and Conditions herein, and the further provisions of the Service Agreement.

The service provided hereunder consists of the injection of Shipper's Gas into storage at the applicable WS Point during the Summer Period, Storage in Panhandle's Market Area Storage Facilities or Field Area Storage Facilities, as elected by the Shipper in the Service Agreement, and the subsequent withdrawal from Storage of Shipper's Gas at the applicable WS Point during the Winter Period, all on a firm basis. Winter Period injections and Summer Period withdrawals will be permitted on an interruptible basis, subject to Panhandle's management of Storage to preserve deliverability. Maximum Daily Withdrawal Quantities (MDWQ) and Maximum Daily Injection Quantities (MDIQ) shall be in accordance with the WS Storage Agreement but shall not exceed 1/100th of Maximum Stored Quantity and 1/200th of Maximum Stored Quantity, respectively. Shipper's Maximum Stored Quantity shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's Maximum Stored Quantity for specified periods during the term of the Service Agreement. The effective period of each Maximum Stored Quantity level shall be specified in the executed Service Agreement. Available withdrawal quantities will vary according to the percentage of Shipper's Stored Volume to the Maximum Stored Quantity as follows:

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE

Percentage of Stored Volume to the Maximum Stored Quantity	Available Withdrawal Quantities
100% - 30%	100% of MDWQ
<30% - 10%	75% of MDWQ
<10% - 0%	60% of MDWQ

The available Stored Volume shall be increased, up to the Maximum Stored Quantity, by the Quantity of Gas Shipper transfers into WS Storage in accordance with Section 14.2 of the General Terms and Conditions. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of WS Storage in accordance with Section 14.2 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for Storage service under this Rate Schedule from Panhandle's Market Area Storage Facilities and Field Area Storage Facilities shall be as follows:

3.1 Capacity Charge

Shipper shall pay a Monthly Capacity Charge which shall be the product of 1/12th the Maximum Stored Quantity times the applicable capacity charge per Dt. as set forth on the effective Tariff Sheet No. 11.

3.2 Deliverability Charge

Shipper shall pay a Monthly Deliverability Charge which shall be the product of the Maximum Daily Withdrawal Quantity times the applicable deliverability charge per Dt. as set forth on the effective Tariff Sheet No. 11.

3.3 Injection Charge

Shipper shall pay an Injection Charge which shall be the product of the Quantity of Gas actually received from

Shipper at the WS Point and injected into Storage during the Month times the applicable injection charge per Dt. as set forth on the effective Tariff Sheet No. 11.

3.4 Withdrawal Charge

Shipper shall pay a Withdrawal Charge which shall be the product of the Quantity of Gas actually withdrawn from Storage and delivered to Shipper at the WS Point during the Month times the applicable withdrawal charge per Dt. as set forth on the effective Tariff Sheet No. 11.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.6 Overrun Charge and Unauthorized Overrun Penalty

Shipper shall pay the applicable Overrun Charge and, if applicable, the Unauthorized Overrun Penalty per Dt. of Gas actually delivered at the applicable WS Point and injected into Storage or withdrawn from Storage and received for transportation at the applicable WS Point during any Day in excess of the MDIQ and MDWQ set out in the Service Agreement, as applicable. The Overrun Charge per Dt. shall be as set forth on the effective Tariff Sheet No. 11 and the Unauthorized Overrun Penalty shall be as set forth in Sections 12.16 and 12.17 of the General Terms and Conditions. For purposes of computing Overrun Charges and Unauthorized Overrun Penalties applicable to withdrawals in excess of MDWQ when Stored Volume falls below 30% of MSQ, the MDWQ as stated in the WS Storage Agreement shall be deemed to be reduced in accordance with the ratchets set forth in Section 2 of this Rate Schedule. The Overrun Charge and Unauthorized Overrun Penalty will not apply to Winter Period injections and Summer Period withdrawals if the Quantities injected or withdrawn are within the MDIQ or MDWQ, as applicable.

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 11 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 11 for service hereunder. If the Stored Volume of the Shipper is not reduced to 20% of Maximum Stored Quantity or less prior to April 1 of any Contract Year, then Panhandle shall retain .25% of the excess Stored Volume over 20% of the Maximum Stored Quantity to compensate for additional compressor fuel required.

3.9 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2, 3.3 and 3.4 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit A of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.9 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the capacity charge, the deliverability charge, the injection charge, the withdrawal charge, any applicable overrun charges plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE PS
PEAKING STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper) which has executed a Storage Agreement in the form prescribed under this Tariff for service under this Rate Schedule.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle under firm, interruptible or third party transportation agreements at the PS Point and nominated for Storage under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement. In addition, where Shipper is utilizing a third party to make Gas available for Storage under this Rate Schedule, the Shipper may designate as the PS Point an off-system Market Area Storage Facility that Panhandle has leased from a third party, subject to operational feasibility, the terms and conditions applicable to Panhandle's agreement with the third party providing the off-system storage, the General Terms and Conditions herein, and the further provisions of the Service Agreement.

The service provided hereunder consists of the injection of Shipper's Gas into Storage at the PS Point during the Summer Period, Storage in Panhandle's Market Area Storage Facilities and the subsequent withdrawal from Storage at the PS Point, during the Winter Period, all on a firm basis. Injections must be scheduled in accordance with the schedule set out in the Service Agreement, which schedule shall be subject to annual revision by Panhandle to reflect the cycling requirements of Storage available to Panhandle. Injections during the Month of April may be suspended by Shipper if the PS Stored Volume does not fall below 17% of the Maximum Stored Quantity. On any Day during the Summer Period, if the PS Stored Volume is at or above the monthly scheduled amount, injections may be suspended by Shipper. The monthly injection schedule will be supplied to each Shipper prior to the Summer Period injection cycle. Winter Period injections will be permitted on an interruptible basis, subject to Panhandle's management of Storage to preserve deliverability. Maximum Daily Withdrawal Quantities shall be in accordance with the Service Agreement but, shall not exceed 1/71st of the Maximum Stored Quantity. Shipper's Maximum Stored Quantity shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's Maximum Stored Quantity for specified periods during the term of the Service Agreement. The effective period of each Maximum Stored Quantity level shall be specified in the executed Service Agreement. Available withdrawal quantities will vary according to the percentage of Stored Volume to the Maximum Stored Quantity as follows:

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE

Percentage of Stored Volume to the Maximum Stored Quantity	Available Withdrawal Quantities
100% - 30%	100% of MDWQ
<30% - 10%	44% of MDWQ
<10% - 0%	11% of MDWQ

The available Stored Volume shall be increased, up to the Maximum Stored Quantity, by the Quantity of Gas Shipper transfers into PS Storage in accordance with Section 14.2 of the General Terms and Conditions. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of PS Storage in accordance with Section 14.2 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. SCHEDULING OF RECEIPTS AND DELIVERIES

Storage service hereunder shall comply with the scheduling provisions of Section 8 of the General Terms and Conditions. In accordance with the schedule set out in the Service Agreement, Shipper must provide and nominate the Monthly Stored Volume during each Month of the Summer Period. If Shipper does not provide and nominate sufficient Quantities for storage injections during any Month of the Summer Period, Panhandle shall have the right to inject Gas into Storage on Shipper's behalf equal to the shortfall and Shipper shall pay Panhandle a rate equal to the rate for service under Rate Schedule EIT for receipts at the IOS point and deliveries to the PS Point near the Michigan and Ohio state line and Shipper shall purchase the injected Gas from Panhandle in accordance with Section 12.11(a)(2) of the General Terms and Conditions at the >5%-10% percentage imbalance level.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE

4. RATES

The rates and charges for service under this Rate Schedule shall be as follows:

4.1 Capacity Charge

Shipper shall pay a Monthly Capacity Charge which shall be the product of 1/12th the Maximum Stored Quantity times the capacity charge per Dt. as set forth on the effective Tariff Sheet No. 12.

4.2 Deliverability Charge

Shipper shall pay a Monthly Deliverability Charge which shall be the product of the Maximum Daily Withdrawal Quantity times the deliverability charge per Dt. as set forth on the effective Tariff Sheet No. 12.

4.3 Injection Charge

Shipper shall pay an Injection Charge which shall be the product of the Quantity of Gas actually received from Shipper at the PS Point and injected into Storage during the Month times the injection charge per Dt. as set forth on the effective Tariff Sheet No. 12.

4.4 Withdrawal Charge

Shipper shall pay a Withdrawal Charge which shall be the product of the Quantity of Gas actually withdrawn from Storage and delivered to Shipper at the PS Point during the Month times the withdrawal charge per Dt. as set forth on the effective Tariff Sheet No. 12.

4.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE

4.6 Overrun Charge and Unauthorized Overrun Penalty

Shipper shall pay the Overrun Charge and, if applicable, the Unauthorized Overrun Penalty per Dt. of Gas actually delivered at the PS Point and injected into Storage or withdrawn from Storage and received for transportation at the PS Point during any Day in excess of the MDIQ and MDWQ set out in the Storage Agreement and in this Rate Schedule, as applicable. The Overrun Charge per Dt. shall be as set forth on the effective Tariff Sheet No. 12 and the Unauthorized Overrun Penalty shall be as set forth in Sections 12.16 and 12.17 of the General Terms and Conditions. For purposes of computing Overrun Charges and Unauthorized Overrun Penalties applicable to withdrawals in excess of MDWQ when Stored Volume falls below 30% of MSQ, the MDWQ as stated in the PS Storage Agreement shall be deemed to be reduced in accordance with the ratchets set forth in Section 2 of this Rate Schedule. The Overrun Charge and Unauthorized Overrun Penalty shall not apply to Winter Period injections if the Quantities injected are within the MDIQ.

4.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 12 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

4.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 12 for service hereunder. If the Stored Volume of any Shipper is not reduced to 20% of Maximum Stored Quantity or less prior to April 1 of any Contract Year, then Panhandle shall retain .25% of the excess Stored Volume over 20% of the Maximum Stored Quantity to compensate for additional compressor fuel required.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE

4.9 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 4.1, 4.2, 4.3 and 4.4 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit A of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 4.9 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

5. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the capacity charge, the deliverability charge, the injection charge, the withdrawal charge, any applicable overrun charges plus all applicable surcharges.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE

6. RESERVATIONS

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

7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE IWS
INTERRUPTIBLE WINTER STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper) which has executed a Service Agreement in the form prescribed under this Tariff for service under this Rate Schedule for Storage service from either Panhandle's Market Area Storage Facilities or Field Area Storage Facilities.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle under firm, interruptible or third party transportation agreements at the applicable WS Point and nominated for Storage under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement. In addition, where Shipper is utilizing a third party to make Gas available for Storage in Panhandle's Market Area Storage Facilities under this Rate Schedule, the Shipper may designate as the WS Point an off-system Market Area Storage Facility that Panhandle has leased from a third party, subject to operational feasibility, the terms and conditions applicable to Panhandle's agreement with the third party providing the off-system storage, the General Terms and Conditions herein, and the further provisions of the Service Agreement.

The service provided hereunder consists of the injection of Shipper's Gas into Storage at the applicable WS Point during the Summer Period, Storage in Panhandle's Market Area Storage facilities or Field Area Storage Facilities, as elected by the Shipper in the Service Agreement, and the subsequent withdrawal from Storage at the applicable WS Point during the Winter Period, all on an interruptible basis. Maximum Daily Withdrawal Quantities (MDWQ) and Maximum Daily Injection Quantities (MDIQ) shall be in accordance with the IWS Storage Agreement but shall not exceed 1/100th of Maximum Stored Quantity and 1/200th of Maximum Stored Quantity, respectively. Available withdrawal quantities shall vary according to the percentage of Shipper's Stored Volume to the Maximum Stored Quantity as follows:

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE

Percentage of Stored Volume to the Maximum Stored Quantity	Available Withdrawal Quantities
100% - 30%	100% of MDWQ
<30% - 10%	75% of MDWQ
<10% - 0%	60% of MDWQ

Daily withdrawal and injection Quantities of Gas shall be subject to available capacity and IWS Stored Volume attributable to a Shipper. All services performed under this Rate Schedule shall be performed on a capacity available basis. Shipper may be required to withdraw all, or any part, of its Stored Volume under this IWS Rate Schedule within 30 Days following notification from Panhandle. Any Stored Volume not withdrawn within 30 Days of Panhandle giving Shipper notice shall become the property of Panhandle at no cost to Panhandle, free and clear of any adverse claims.

The available Stored Volume shall be increased, up to the Maximum Stored Quantity, by the Quantity of Gas Shipper transfers into IWS Storage in accordance with Section 14.2 of the General Terms and Conditions. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of IWS Storage in accordance with Section 14.2 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for Storage service under this Rate Schedule from Panhandle's Market Area Storage Facilities and Field Area Storage Facilities shall be as follows:

3.1 Monthly Inventory Charge

Shipper shall pay a Monthly Inventory Charge which shall be the product of the applicable inventory charge per Dt. as set forth on the effective Tariff Sheet No. 13 and the average daily IWS Stored Volume for the Month.

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE

3.2 Injection Charge

Shipper shall pay an Injection Charge which shall be the product of the Quantity of Gas actually received from Shipper at the WS Point injected into Storage during the Month times the applicable injection charge per Dt. as set forth on the effective Tariff Sheet No. 13.

3.3 Withdrawal Charge

Shipper shall pay a Withdrawal Charge which shall be the product of the Quantity of Gas actually withdrawn from Storage and delivered to Shipper at the WS Point during the Month times the applicable withdrawal charge per Dt. as set forth on the effective Tariff Sheet No. 13.

3.4 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.5 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 13 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.6 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 13 for service hereunder.

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Monthly inventory charge, the injection charge, the withdrawal charge, plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE GDS
GENERAL DELIVERY SERVICE

1. AVAILABILITY

This Rate Schedule is available for combined firm Natural Gas Transportation, Gathering and Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a General Delivery Service ("GDS") Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule; and

(b) which has executed a Transportation Agreement subject to Panhandle's Rate Schedule EFT or Rate Schedule SCT and a Storage Agreement with Panhandle subject to Panhandle's Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS consistent with Section 2 below.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the service management assistance Panhandle will provide in accordance with Section 7 hereof, the General Terms and Conditions herein and the further provisions of the Service Agreement.

Under this Rate Schedule Panhandle will manage Transportation and Storage services designated by the Shipper to relieve the Shipper of submitting nominations at the Point of Delivery as required by Section 8 of the General Terms and Conditions so that the Shipper will not be subject to Daily Scheduling Charges set forth in Section 12.11(h) of the General Terms and Conditions. The Shipper must permit Panhandle to manage its Transportation service under Rate Schedule EFT or Rate Schedule SCT and Storage service under Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS. Storage service under Rate Schedule FS shall qualify to be utilized for service under Rate Schedule GDS if the FS Storage Agreement provides for both injections and withdrawals at any time during the year. The Shipper may also permit Panhandle to manage Storage service under Rate Schedule WS, PS or other FS. The service management assistance provided hereunder is available only at a single Point of Delivery as specified in the Service Agreement hereunder. However, in accordance with Section 11.4 of the General Terms and Conditions, multiple measuring stations belonging to a single operator may constitute a single Point of Delivery.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE

Service under this Rate Schedule shall be provided to the extent of the Transportation and Storage service the Shipper specifies in the Service Agreement hereunder and the Quantities of Gas Shipper makes available to Panhandle for Transportation and Storage service; provided, the Maximum Daily Withdrawal Quantity under Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS, may not be less than twenty percent (20%) of the Maximum Daily Contract Quantity specified in the Service Agreements under Rate Schedule EFT or Rate Schedule SCT that Shipper permits Panhandle to manage pursuant to this Rate Schedule.

If, after any six consecutive Months, Shipper has experienced excessive Transportation imbalances or overruns or both, and if Shipper does not agree to increase the Maximum Stored Quantity under Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS, specified in the Service Agreement hereunder, Panhandle shall be permitted to terminate the service management assistance provided hereunder at the beginning of any subsequent Month except to the extent required to provide "No Notice Service" as described in Section 3 hereof. In the event service management assistance provided hereunder is terminated in whole or in part, Transportation and Storage services shall continue in accordance with the applicable Rate Schedules and Service Agreements.

3. NO NOTICE SERVICE

Under Rate Schedule GDS, Panhandle shall provide no notice service at the Point of Delivery on any Day up to the Maximum Daily Withdrawal Quantity of Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS and, the Maximum Daily Withdrawal Quantity of Rate Schedules WS, PS and other FS specified in the Service Agreement hereunder subject to the prior receipt by Panhandle of sufficient Stored Quantities under Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS and, if specified in the Service Agreement hereunder, Rate Schedules WS, PS and other FS.

4. STORAGE AND TRANSPORTATION OVERRUN CHARGES AND UNAUTHORIZED OVERRUN PENALTIES

Service under this Rate Schedule GDS is subject to the following overrun charges:

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE

(a) If on any Day the Quantities of Gas delivered at the Point of Delivery vary from the Quantities nominated by Shipper pursuant to Section 7 hereof for receipt under the Transportation Agreement, adjusted for Fuel Reimbursement, and if such variances exceed the Maximum Daily Withdrawal Quantity or Maximum Daily Injection Quantity specified in the Service Agreement hereunder, the Shipper shall be subject to the Overrun Charge and, if applicable, the Unauthorized Overrun Penalty in addition to the applicable reservation and commodity charges. The Overrun Charges shall be the rate as set forth on the effective Tariff Sheet No. 9 multiplied by the Quantities of Gas that exceed the MDWQ or the MDIQ, as applicable. The Unauthorized Overrun Penalty shall be as set forth in Section 12.16 of the General Terms and Conditions. Shipper shall also be subject to monthly balancing charges and the Unauthorized Overrun Penalty when Panhandle issues an OFO as set forth in Sections 12.11 and 12.17 of the General Terms and Conditions.

(b) Nothing in this Rate Schedule GDS shall permit Shipper to take at its Point of Delivery, on any Day, Quantities of Gas in excess of the MDCQ of its Transportation service included in the GDS service hereunder or, in any hour, in excess of any hourly swing limitation invoked by Panhandle. Section 3.6 of Rate Schedule EFT and Rate Schedule SCT regarding overruns of Transportation service remain in effect for the Transportation service included in GDS service.

5. RATES

The rates and charges for service under this Rate Schedule shall include all of the applicable charges set forth in Rate Schedule EFT, or Rate Schedule SCT, as applicable, and Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS. If Shipper also specifies service under Panhandle's Rate Schedules WS, PS or other FS for inclusion in the service provided hereunder, the rates and charges for firm Storage service under these Rate Schedules shall also be included under this Rate Schedule.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE

6. MONTHLY BILL

The Monthly Bill for the service provided hereunder shall be equal to all of the charges set out in the Monthly Bill of Rate Schedule EFT or Rate Schedule SCT, as applicable, and Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS. If Shipper also specifies Rate Schedules WS, PS or other FS for service hereunder, then the Monthly Bill for the service provided hereunder shall also include all of the charges set out in the Monthly Bill of Rate Schedules WS, PS and other FS. In addition, the Monthly Bill for service provided hereunder shall also include Storage and Transportation Overrun Charges and Unauthorized Overrun Penalties specified in Section 4.

7. OPERATING PLAN

For each Month during the term of the Service Agreement under this Rate Schedule, Panhandle and Shipper shall develop a Monthly operating plan. Under the operating plan, Shipper shall be responsible for nominating and scheduling Quantities of Gas under Rate Schedule EFT or Rate Schedule SCT at the Point(s) of Receipt and providing a Storage use priority plan for service under Rate Schedule IOS, service under Rate Schedule WS, service under Rate Schedule PS or service under Rate Schedule FS.

If Shipper and Panhandle fail to agree on a Storage use priority plan prior to five Days before the beginning of a Month Panhandle shall use the following priority schedule for allocation of actual volumes to the underlying services:

Winter Period -
- 1st - EFT or SCT, up to nominations at the Point(s) of Receipt, less Fuel Reimbursement then,
- 2nd - WS withdrawals (if applicable) then,
- 3rd - PS withdrawals (if applicable) then,
- 4th - FS withdrawals (if applicable) then,
- 5th - IOS or eligible FS withdrawals/injections

Summer Period -
- 1st - PS injection (if applicable) then,
- 2nd - FS injection (if applicable) then,
- 3rd - WS injection (if applicable) then,
- 4th - EFT or SCT deliveries then,
- 5th - IOS or eligible FS injections/withdrawals

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE

The operating plan shall authorize Panhandle to schedule the injection of Gas into IOS Storage or an eligible Storage Agreement under Rate Schedule FS, (if Shipper has delivered sufficient Gas to Panhandle) and/or the withdrawal of Gas from IOS Storage or an eligible Storage Agreement under Rate Schedule FS, (up to Shipper's Stored Volume) for Shipper's account, in accordance with the operating plan, without further nominations from Shipper. In the event that imbalances or overruns occur due to insufficient actual receipts, insufficient Stored Volume, insufficient Maximum Stored Quantity or any other reason, the Monthly balancing charges and Overrun Charges set out in the underlying agreements and the General Terms and Conditions, as well as any Storage Overrun Charges and Unauthorized Overrun Penalties, as defined in Section 4(a) hereof, shall be applicable. Daily Scheduling Charges which would otherwise apply under Rate Schedules EFT and SCT shall not apply under this Rate Schedule GDS. As a part of the operating plan hereunder, Shipper may provide Panhandle with written authorization to nominate receipts of Gas on Shipper's behalf at any Point(s) of Receipt on Panhandle's system at which Panhandle agrees that Shipper has a contract for Gas purchases and at which receipts can be verified on a "real time" basis. If so authorized, Panhandle will permit the operating plan to include a ranking for "intra-day" nomination of receipts at such point(s), in accordance with Section 8.2 of the General Terms and Conditions. GDS service based on such receipts is conditioned upon verification of such receipts and Shipper will remain liable for storage Overrun Charges and Unauthorized Overrun Penalties in the event its supplier does not perform in accordance with the nominations so tendered by Panhandle on Shipper's behalf.

8. RESERVATIONS

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

9. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE TBS
TRANSPORTATION BALANCING SERVICE

1. AVAILABILITY

This Rate Schedule is available for combined firm Natural Gas Transportation and Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Transportation Balancing Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

(b) which has executed a Transportation Agreement under Rate Schedule FT, EFT, SCT, IT, EIT, LFT or HFT or is the agent of such a party; and

(c) which has executed a Storage Agreement subject to Panhandle's Rate Schedule IOS or an eligible Storage Agreement under Rate Schedule FS consistent with Section 2 below.

2. APPLICABILITY AND CHARACTER OF SERVICE

Panhandle shall provide Transportation Balancing Service with respect to the Transportation of Natural Gas up to the Maximum Daily Contract Quantity (MDCQ) set out in the designated Transportation Agreements under Rate Schedule FT, EFT, SCT, IT, EIT, LFT, or HFT by coordinating injections and withdrawals from firm Storage service under Rate Schedule IOS or a qualifying Storage Agreement under Rate Schedule FS up to the Maximum Stored Quantity (MSQ), Maximum Daily Injection Quantity (MDIQ) and Maximum Daily Withdrawal Quantity (MDWQ) set out in Shipper's Storage Agreement, subject to the availability of capacity, the General Terms and Conditions herein and the further provisions of the Transportation Balancing Service Agreement. Storage service under Rate Schedule FS shall qualify to be utilized for service under Rate Schedule TBS if the FS Storage Agreement provides for both injections and withdrawals at any time during the year.

In no event shall Panhandle be obligated to provide any Transportation Balancing Service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

The quantity of Transportation Balancing Service ("TBS") available to Shipper shall be defined by the capacity of the Storage Service Agreement specified in the TBS Agreement.

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE

Five Days prior to the beginning of each Month, Shipper must provide to Panhandle a schedule of the designated Transportation Agreements which shall utilize the Transportation Balancing Service during the next Month. When multiple Transportation Agreements are to be balanced, Shipper must provide the allocation scheme for applying the Transportation Balancing Service. The allocation method for the designated Transportation Agreements must be either (1) pro-rata based upon delivery nominations or (2) a fixed percentage, unless otherwise agreed to by Panhandle.

Throughout the applicable Month, when Shipper's receipts and deliveries under its Transportation Agreements are not in balance, Panhandle shall be authorized to schedule the injection of Gas into IOS Storage and/or the withdrawal of Gas from IOS Storage for Shipper's account, without further nominations from Shipper. Such injections or withdrawals shall be allocated to out-of-balance designated Transportation Agreements in order to achieve a balance, to the extent permitted by Shipper's MSQ, MDIQ, MDWQ and Stored Volume. If imbalances or overruns occur due to insufficient confirmed receipts, insufficient IOS Stored Volume, insufficient Maximum Stored Quantity, insufficient MDIQ or MDWQ or for any other reason, the balancing and overrun charges set out in the designated Service Agreements and the General Terms and Conditions shall be applicable to Shipper.

If, as of the first Day of any Month, any of the designated Transportation Agreements has a Monthly imbalance in excess of a contract's MAIQ or MMIQ, then Panhandle shall be authorized to schedule the injection of Gas into IOS Storage and/or the withdrawal of Gas from IOS Storage for Shipper's account, without further nominations from Shipper. Such injections or withdrawals shall be allocated to the out-of-balance designated Transportation Agreements in order to achieve a balance within MAIQ or eliminate the MMIQ, to the extent permitted by Shipper's MSQ, MDIQ, MDWQ and Stored Volume. If imbalances in excess of MAIQ or MMIQ persist due to insufficient confirmed receipts, insufficient IOS Stored Volume, insufficient Maximum Stored Quantity or for any other reason, the Monthly imbalance provisions set out in the designated Service Agreements and the General Terms and Conditions shall be applicable to Shipper.

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE

The Daily Scheduling Charge tolerance level as specified in Section 12.11(h) of the General Terms and Conditions shall be expanded for the designated Service Agreements based upon the level of each Shipper's MDIQ, MDWQ and available Stored Volume applicable to each designated Service Agreement.

3. RESERVATIONS

Panhandle reserves the right from time to time to unilaterally make any changes to, or to supersede, the terms in this Rate Schedule and the other provisions of Panhandle's FERC Gas Tariff, and the applicability thereof, subject to the provisions of the Natural Gas Act and the Commission's Regulations thereunder.

4. MONTHLY BILL

The Monthly Bill for Transportation Balancing Service provided hereunder shall be equal to all of the charges set out in the Monthly Bill of Rate Schedule IOS or FS, whichever is specified in Shipper's Transportation Balancing Service Agreement.

5. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE FS
FLEXIBLE STORAGE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Storage service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper) which has executed a Service Agreement in the form prescribed under this Tariff for service under this Rate Schedule for Storage service from either Panhandle's Market Area Storage Facilities or Field Area Storage Facilities.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle under firm, interruptible or third party transportation agreements at the applicable WS Point and nominated for Storage under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement. In addition, where Shipper is utilizing a third party to make Gas available for Storage in Panhandle's Market Area Storage Facilities under this Rate Schedule, the Shipper may designate as the WS Point an off-system Market Area Storage Facility that Panhandle has leased from a third party, subject to operational feasibility, the terms and conditions applicable to Panhandle's agreement with the third party providing the off-system storage, the General Terms and Conditions herein, and the further provisions of the Service Agreement.

The service provided hereunder consists of the injection of Shipper's Gas into Storage at the applicable WS Point in Panhandle's Market Area Storage Facilities or Field Area Storage Facilities, as elected by the Shipper in the Service Agreement, and the subsequent withdrawal from Storage of Shipper's Gas, at the applicable WS Point, all on a firm basis. Injections may be made in accordance with the FS Storage Agreement, subject to daily nomination by Shipper and Available Maximum Stored Quantity. Withdrawals may be made in accordance with the FS Storage Agreement, subject to daily nomination by Shipper and Available Stored Volume. Injections and withdrawals, other than as specifically provided for in the FS Storage Agreement will be permitted on an interruptible basis, subject to Panhandle's management of Storage to preserve deliverability. Maximum Daily Withdrawal Quantities (MDWQ) and Maximum Daily Injection Quantities (MDIQ) shall be in accordance with the FS Storage Agreement. Shipper's Maximum Stored Quantity shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's Maximum Stored Quantity for specified periods during the term of the Service Agreement. The effective period of each Maximum Stored Quantity level shall be specified in the executed Service Agreement. Available withdrawal quantities will vary according to the percentage of Shipper's Stored Volume to the Maximum Stored Quantity in accordance with the FS Storage Agreement.

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE

The available Stored Volume shall be increased, up to the Maximum Stored Quantity, by the Quantity of Gas Shipper transfers into FS Storage in accordance with Section 14.2 of the General Terms and Conditions. The available Stored Volume shall be reduced by the Quantity of Gas Shipper transfers out of FS Storage in accordance with Section 14.2 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Storage service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for Storage service under this Rate Schedule from Panhandle's Market Area Storage Facilities and Field Area Storage Facilities shall be as follows:

3.1 Capacity Charge

Shipper shall pay a Monthly Capacity Charge which shall be the product of 1/12th the Maximum Stored Quantity times the applicable capacity charge per Dt. as set forth on the effective Tariff Sheet No. 14.

3.2 Deliverability Charge

Shipper shall pay a Monthly Deliverability Charge which shall be the product of the Maximum Daily Withdrawal Quantity set out in the FS Storage Agreement times the applicable deliverability charge per Dt. as set forth on the effective Tariff Sheet No. 14.

3.3 Injection Charge

Shipper shall pay an Injection Charge which shall be the product of the Quantity of Gas actually received from Shipper at the WS Point and injected into Storage during the Month times the applicable injection charge per Dt. as set forth on the effective Tariff Sheet No. 14.

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE

3.4 Withdrawal Charge

Shipper shall pay a Withdrawal Charge which shall be the product of the Quantity of Gas actually withdrawn from Storage and delivered to Shipper at the WS Point during the Month times the applicable withdrawal charge per Dt. as set forth on the effective Tariff Sheet No. 14.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.6 Overrun Charge and Unauthorized Overrun Penalty

Shipper shall pay the applicable Overrun Charge and, if applicable, the Unauthorized Overrun Penalty per Dt. of Gas actually delivered at the applicable WS Point and injected into Storage or withdrawn from Storage and received for transportation at the applicable WS Point during any Day in excess of the MDIQ and MDWQ set out in the Service Agreement, as applicable. The Overrun Charge per Dt. shall be as set forth on the effective Tariff Sheet No. 14 and the Unauthorized Overrun Penalty shall be as set forth in Sections 12.16 and 12.17 of the General Terms and Conditions. For purposes of computing Overrun Charges and Unauthorized Overrun Penalties applicable to withdrawals in excess of MDWQ when available withdrawal quantities are reduced as a result of Stored Volume being below the levels specified in the FS Storage Agreement, the MDWQ as stated in the FS Storage Agreement shall be deemed to be reduced in accordance with the ratchets, if any, set forth in the FS Storage Agreement. The Overrun Charge will not apply to injections during the Withdrawal Period or withdrawals during the Injection Period as set forth in the FS Storage Agreement, if the Quantities injected or withdrawn are within the MDIQ or MDWQ, as applicable.

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 14 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 14 for service hereunder. If the Stored Volume of the Shipper is not reduced to 20% of Maximum Stored Quantity or less prior to the end of the withdrawal period of any Contract Year as specified in the Service Agreement, then Panhandle shall retain .25% of the excess Stored Volume over 20% of the Maximum Stored Quantity to compensate for additional compressor fuel required.

3.9 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2, 3.3 and 3.4 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit A of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit A of the executed Service Agreement. Nothing in this Section 3.9 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the capacity charge, the deliverability charge, the injection charge, the withdrawal charge, any applicable overrun charges plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE LFT
LIMITED FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

(b) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper; and

(c) which receives such Gas from Panhandle at a physical Point(s) of Delivery or at a Pool Point(s).

This service is available for firm service at a Point(s) of Delivery without regard to the presence of a Flow Control Device.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the firm Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement on a basis consistent with Section 5 hereof. Shipper's MDCQ shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDCQ for specified periods during the term of the Service Agreement. The effective period of each MDCQ level shall be specified in the executed Service Agreement.

Service at the primary and secondary Point(s) of Receipt and Point(s) of Delivery shall be provided on a firm basis subject to Panhandle's right to not schedule service in whole or in part on any Day, but not more than ten (10) Days in each Month. Service that is scheduled under Rate Schedule LFT shall be considered firm service

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

and thus shall be subject to the Nominations and Scheduling of Service, and Curtailment and Interruption procedures included in Sections 8 and 9 of the General Terms and Conditions. Shippers under Rate Schedule LFT may release all or a portion of their MDCQ in accordance with the procedures established for the release of service rights under Section 15 of the General Terms and Conditions.

If Panhandle receives an acceptable request for firm Transportation Service pursuant to Rate Schedule FT, EFT or HFT that can only be provided by reducing the MDCQ of services under this Rate Schedule, Panhandle shall notify the Shipper(s) that has the lowest priority of service under this Rate Schedule of the reductions in its or their MDCQ under this Rate Schedule which are necessary to furnish Transportation Service under Rate Schedule FT, EFT or HFT. Priority of service for purposes of the preceding sentence shall be determined as provided in Section 7.1 of the General Terms and Conditions. Such reduction(s) shall be made on the date(s) specified in such notification, which date(s) shall be no less than thirty (30) Days after the date of such notification. Such notified Shipper(s) under this Rate Schedule may, within said thirty (30) Days, convert that portion of service provided under this Rate Schedule which is equal to such reduction, to service under Rate Schedule FT, EFT or HFT, by executing a Service Agreement under Rate Schedule FT, EFT or HFT, which conversion shall have priority over the pending request for service under Rate Schedule FT, EFT or HFT which caused such notification, assuming such Rate Schedule LFT Shipper agrees to a service under Rate Schedule FT, EFT or HFT that will have a net present value that equals or exceeds the net present value of the Rate Schedule FT, EFT or HFT pending request, or such notified Shipper(s) may convert that portion of service provided under this Rate Schedule which is equal to such reduction to service under Rate Schedules IT or EIT by executing a Service Agreement for such service, or such notified Shipper(s) may terminate any remaining portion of service provided under this Rate Schedule. Conversions to Rate Schedules IT or EIT service shall maintain the original priority date under this Rate Schedule, for purposes of priority of service pursuant to Sections 8 and 9 of the General Terms and Conditions.

In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

3. RATES

The rates and charges for service under this Rate Schedule LFT shall be as follows:

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Monthly Transmission Charge which consists of a reservation component and a commodity component.

(a) The reservation component of the Transmission Charge shall be the product of the MDCQ times the applicable Transmission reservation rates per Dt. as set forth on the effective Tariff Sheet No. 15. The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available.

(b) The commodity component of the Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 15.

(c) If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 15 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 15 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

3.2 Gathering Charge

If Shipper designates primary Point(s) of Receipt or Point(s) of Delivery on the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for firm service hereunder, Shipper shall pay a Monthly Gathering Charge which shall consist of a reservation component and a commodity component.

(a) The reservation component of the Gathering Charge shall be the product of the MDCQ times the applicable reservation rate per Dt. as set forth on the effective Tariff Sheet No. 15. The reservation component shall be pro rated for the first and last contract Months to adjust for the number of Days during the Months service was available.

(b) The commodity component of the Gathering Charge shall be the product of the actual Quantity of Gas delivered during the Month times the applicable commodity rate per Dt. as set forth on the effective Tariff Sheet No. 15.

If Shipper designates a Point(s) of Receipt on the Gathering portion of Panhandle's system as a secondary firm Point(s) of Receipt pursuant to Section 10.3(c) of the General Terms and Conditions, the otherwise applicable charges shall also include the Gathering commodity rate and overrun charge per Dt. as set forth on the effective Tariff Sheet No. 15.

3.3 Special Rate for Limited Class of Backhaul Service

For firm service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission charge per Dt. as set forth on the effective Tariff Sheet No. 15. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

3.4 Transportation Involving Pooling

The rates for firm Transportation under Rate Schedule LFT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that the rates charged for service under a Pooling Transportation Agreement shall not include the Field Zone Transmission Charges, so long as title to such Gas passes to another Shipper and the Quantities of Gas are delivered for immediate receipt and subsequent Transportation on Panhandle's system under a Service Agreement to which the Field Zone Transmission Charges apply. If the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.6 Overrun Charges and Unauthorized Overrun Penalties

(a) Overrun Charge for Takes in Excess of MDCQ

If during one or more Days in the billing Month Shipper takes Quantities of Gas in excess of the applicable Maximum Daily Contract Quantity as stated in the Service Agreement (hereinafter called overrun quantities) for firm service hereunder, Shipper shall

be subject to an Overrun Charge in addition to the applicable reservation and commodity charges and any balancing charges that may be applicable pursuant to Section 12 of the General Terms and Conditions. The applicable Overrun Charge per Dt. for such overrun quantities shall be as set forth on the effective Tariff Sheet No. 15. In addition, subject to the provisions of Section 3.6(d) of this Rate Schedule, Shipper shall be subject to an Unauthorized Overrun Penalty as set forth in Section 12.16 of the General Terms and Conditions.

(b) Overrun Charges for Takes in Excess of Monthly Allowable Quantities

For Monthly takes in excess of the Monthly Allowable Quantity of Gas, Shipper shall be subject to an Overrun Charge in addition to the applicable reservation and commodity charges, any other applicable Overrun Charges and any balancing charges that may be applicable pursuant to Section 12 of the General Terms and Conditions. The Monthly Allowable Quantity of Gas shall be determined by multiplying the Maximum Daily Contract Quantity set forth in the Service Agreement under this Rate Schedule times the number of days of firm service allowed for such Month. The number of days of firm service allowed for each Month shall be the result of the number of days in the Month minus ten. The applicable charge per Dt. for any Quantity of Gas taken during the Month in excess of the Monthly Allowable Quantity shall be the Overrun Charge Per Dt. as set forth on the effective Tariff Sheet No. 15.

(c) Takes in Excess of Permissible Hourly Deliveries

If, pursuant to Section 5 hereof, Shipper has been notified that it must limit takes to one-sixteenth of the Quantities nominated for delivery at the Point(s) of Delivery, Shipper must use its best efforts to limit its takes to one-sixteenth of the Quantities

nominated for delivery at the Point(s) of Delivery as soon as possible, but in no event later than two hours following notification. If, after such two hours, the Shipper's takes exceed such hourly limitation for any hour during the next twenty-four hour period, Shipper shall pay the Overrun Charges as set forth on the effective Tariff Sheet No. 15, in addition to the applicable commodity rates.

(d) Unauthorized Overrun Penalty for Takes During an OFO

Panhandle may issue an OFO and, if it does so, Panhandle shall notify Shippers through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Once issued the OFO shall continue until Panhandle notifies Shippers to the contrary using the above methods. If the OFO requires the elimination of unauthorized overruns, the applicable Unauthorized Overrun Penalty shall be as set forth in Section 12.17(f)(ii) of the General Terms and Conditions.

(e) Overrun Charge for Takes During a Period in Which Service is not Scheduled

If, pursuant to Section 2 hereof, Shipper has been notified that its service is not being scheduled, either completely or partially, Shipper must limit its takes to the level permitted in the notification for scheduled service. If Shipper's takes exceed the level permitted during such period service is not scheduled, the applicable charge per Dt. for volumes in excess of those permitted shall be $10.00 or two times the Mid-Continent Spot Price calculated in accordance with Section 12.11(c) of the General Terms and Conditions, whichever is greater.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 15 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 15 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

3.10 Customized Reservation Pattern (CRP)

(a) The CRP election provides an alternative method of paying the uniform monthly billing of the Reservation Charge set forth on the effective Tariff Sheet No. 15. Billing and payment of CRP Reservation Charges shall be in accordance with the reservation pattern elected by Shipper. Rates reflecting such Shipper CRP election shall be posted on the Messenger system and will be filed with the Commission on or before the first day of the Month of effectiveness of such election. The total annual Reservation Charges resulting from CRP will equal the total Reservation Charges Shipper would pay without the CRP election for the same annual period. An adjustment, if necessary, will be included on the invoice for the last month of the CRP period to ensure that the total Reservation Charges due Panhandle under Panhandle's uniform currently effective rates equals the Reservation Charges received by Panhandle under the CRP rates. All rights and obligations of Section 17 of the General Terms and Conditions shall apply to the Reservation Charge for each billing Month as elected by Shipper. In the event any CRP invoice shall be based on rates in effect subject to refund and refunds shall be required, refunds shall be calculated as if the CRP election had not been made.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 15 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 15 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

3.10 This Section 3.10 is intentionally left blank.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

(b) Shipper may elect flexible maximum reservation charges under CRP that are derived from the maximum uniform charges for service on the effective Tariff Sheet No. 15; provided, however, CRP election is not available to a Shipper with an effective rate agreement pursuant to Section 3.7 herein nor a Replacement Shipper pursuant to Section 15 of the General Terms and Conditions. Shipper shall submit to Panhandle an executed Exhibit B to its Service Agreement in order to participate in the CRP program.

In addition to the otherwise applicable charges set forth for monthly service on the effective Tariff Sheet No. 15 for November through March, a Shipper electing CRP will be allowed to pay up to 80% of the Reservation Charges due for the period April through October in the preceding November through March period. CRP elections which specify the portion of the April through October Reservation Charges to be paid during the preceding November through March period will be due by October 1 of each year to be effective November 1. Revised CRP elections will be allowed up to the fifteenth Business Day preceding the Month of Gas flow, for prospective application only, so long as the Shipper's total annual obligations for Reservation Charges during the 12 month CRP Period are not affected by such revisions and provided that such revisions do not result in the Reservation Charge for any month during the April through October period exceeding the charge which would have been applicable had the CRP election not been made.

(c) Maximum CRP reservation rates for each Shipper shall be reflected on effective Tariff Sheet No. 20.

(d) The usage rates set forth on effective Tariff Sheet No. 15 shall not be affected by the provisions of this Section 3.10.

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

5. HOURLY DELIVERIES

Shipper shall deliver or cause to be delivered Natural Gas for the account of Shipper on a uniform hourly basis as nearly as practicable. At each Point(s) of Delivery Shipper may receive from Panhandle in any hour such Quantities of Gas as it requires or as are consistent with available pipeline pressures at such point(s); provided that Panhandle shall be entitled to require Shipper to restrict takes at any point during any hour to one-sixteenth of the Natural Gas nominated for Transportation to that Point(s) of Delivery on that Day by notifying Shipper through the Messenger® system, the Web Site and by telephone or facsimile communication.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit B of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges, plus all applicable surcharges.

5. HOURLY DELIVERIES

Shipper shall deliver or cause to be delivered Natural Gas for the account of Shipper on a uniform hourly basis as nearly as practicable. At each Point(s) of Delivery Shipper may receive from Panhandle in any hour such Quantities of Gas as it requires or as are consistent with available pipeline pressures at such point(s); provided that Panhandle shall be entitled to require Shipper to restrict takes at any point during any hour to one-sixteenth of the Natural Gas nominated for Transportation to that Point(s) of Delivery on that Day by notifying Shipper through the Messenger® system, the Web Site and by telephone or facsimile communication.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE

6. RESERVATIONS

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

7. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE GPS
GAS PARKING SERVICE

1. AVAILABILITY

This Rate Schedule is available for Gas Parking service provided by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called Shipper):

(a) which has executed a Service Agreement in the form prescribed under this Tariff for service under this Rate Schedule; and

(b) which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for subsequent delivery by Panhandle for the account of Shipper.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to Gas made available by Shipper to Panhandle in connection with firm or interruptible transportation agreements and nominated for Parking service under this Rate Schedule, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

The service provided hereunder is an interruptible service and shall be provided only after all other services offered by Panhandle are scheduled and to the extent permitted by Panhandle's system. Providing Parking service shall not impede Panhandle's ability to meet its firm and interruptible service obligations, including Panhandle's system requirements and Panhandle's otherwise applicable firm obligations under a GDS Service Agreement to provide no-notice service up to the MDCQ of the underlying firm Transportation Agreements. The service shall consist of: (1) the receipt/delivery of a Quantity of Gas for Parking for Shipper's account at the point(s) designated by Shipper, up to the maximum parked quantity as specified in the Service Agreement; (2) the Parking of such Gas for the account of Shipper at a specified Parking point; and (3) the subsequent redelivery/receipt of such Gas to/from Shipper. Shipper may utilize any point on the Master Parking Point List, subject to Shipper's election below to have Panhandle utilize Shipper's Gas Parking account to balance nominated receipts and deliveries at a Pool Point under Shipper's associated Pooling Transportation Agreement. The Master Parking Point List shall mean the current list of points available to Shippers for Parking as posted on the Messenger system. Gas that is delivered to a specific Parking point for parking must be redelivered from the same Parking point. A negative parked quantity received at a specific Parking point must be redelivered to the same Parking point. Parking points shall be maintained separately and may not be combined for nomination or billing purposes.

Panhandle shall receive from Shipper such daily quantities of Gas as are nominated and scheduled for Parking and park such quantity for a minimum of one (1) day. Gas may be parked for a period of up to thirty one (31) days and such period may be extended by Panhandle as permitted by system operating conditions.

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE

Shipper's account may hold a negative parked quantity, which shall mean the Quantity of Gas that Shipper has received from parking in excess of the sum of the parked quantity at any point in time. Nominations to receive such excess Quantity of Gas shall be confirmed at Panhandle's reasonable discretion.

Panhandle shall accept Shipper's request to schedule a negative parked Quantity when:

(a) The nomination does not interfere with Panhandle's ability to provide services under all other Rate Schedules;

(b) Shipper's Transportation Service Agreement has sufficient available capacity to receive or deliver Gas at the Parking point;

(c) Line pack is sufficient to satisfy the Shipper's request;

(d) The nomination of such excess Quantity of Gas would have no adverse effect on system operations; and

(e) The nomination does not result in an imbalance due Panhandle on Shipper's Transportation Service Agreement.

A Pooling Shipper may elect to have Panhandle utilize the Pooling Shipper's Gas Parking account to balance nominated receipts and deliveries under Shipper's associated Pooling Transportation Agreement at a Pool Point on a daily basis. Such election requires a separate Parking Service Agreement. Pooling Shipper shall make such election and specify the Pooling Transportation Agreement and Pool Point at the time the Parking Service Agreement is executed.

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE

The Shipper may be required, upon notification from Panhandle by telephone as well as through the Messenger system or by facsimile, to cease or reduce deliveries to or receipts from its Parking service within the Gas Day or remove all, or any part, of its parked quantity under this Rate Schedule as rapidly as is consistent with Panhandle's operating capabilities. Any parked quantity not removed in accordance with Panhandle's notice within five (5) days of such notice shall become the property of Panhandle at no cost to Panhandle, free and clear of any adverse claims; provided, however, that Panhandle shall extend the time available for Shipper to remove its parked quantity by one Day for every Day that Shipper has been unable to remove gas due to operational conditions on Panhandle's system.

The Shipper may be required, upon notification from Panhandle by telephone as well as through the Messenger system or by facsimile, to deliver all, or any part, of its negative parked quantity as rapidly as is consistent with Panhandle's operating capabilities. Any Quantity of Gas not delivered into Parking in accordance with Panhandle's notice within three (3) days of Panhandle giving Shipper such notice shall be subject to a daily penalty of $10.00 per Dt. or two times the Mid-Continent Spot Price calculated in accordance with Section 12.11(c) of the General Terms and Conditions of Panhandle's FERC Gas Tariff, whichever is greater; provided, however, that Panhandle shall extend the time available for Shipper to return gas to Parking by one Day for every Day that Shipper has been unable to return gas into Parking due to operational conditions on Panhandle's system.

In no event shall Panhandle be obligated to provide any Parking service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for Parking service under this Rate Schedule shall be as follows:

3.1 Daily Parking Charge

The Daily Parking Charge shall be the absolute value of the product of the daily Parked Quantity for each day of the Month and the daily parking rate per Dt. as set forth on the effective Tariff Sheet No. 16.

3.2 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 16 shall be the applicable Maximum Rate set forth thereon. If an amount less than the applicable Maximum Rate and not less than the applicable Minimum Rate is agreed upon, such amount shall be applicable prospectively.

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the sum of the Daily Parking Charges incurred during the applicable Month.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE HFT
HOURLY FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This Rate Schedule is available for Natural Gas Transportation and Gathering service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) when Panhandle has determined that it has sufficient available and uncommitted capacity to perform service requested by any party (hereinafter called Shipper):

1.1 which has executed a Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule;

1.2 which delivers Natural Gas or causes Natural Gas to be delivered to Panhandle for delivery by Panhandle for the account of Shipper; and

1.3 which receives Gas from Panhandle at a physical Point(s) of Delivery, which is directly connected to Panhandle's system, equipped with a Flow Control Device and EGM equipment capable of verifying changes in gas flow on a real-time basis.

2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 This Rate Schedule shall apply to the firm Transportation and Gathering of Natural Gas on Panhandle's system, subject to the General Terms and Conditions herein and the further provisions of the Service Agreement.

2.2 The service provided by Panhandle under this Rate Schedule consists of the receipt of Natural Gas by Panhandle at Point(s) of Receipt located on Panhandle's system and specified in the executed Service Agreement and the delivery of such Gas, after appropriate reductions, at Point(s) of Delivery located on Panhandle's system and specified in the executed Service Agreement up to the Maximum Daily Contract Quantity (MDCQ) set out in the executed Service Agreement. Shipper's MDCQ shall be a uniform quantity throughout the term of the Service Agreement, except that Panhandle may, but shall not be obligated to, agree on a not unduly discriminatory basis to certain differing levels in Shipper's MDCQ for specified periods during the term of the Service Agreement. The effective period of each MDCQ level shall be specified in the executed Service Agreement.

2.3 Shipper shall elect to receive the Hourly Delivery Quantity of its MDCQ during a specified hourly period within the Day as set forth on the executed Service Agreement. Shipper's Hourly Delivery Quantity shall be

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

the MDCQ divided by the specified Hourly Delivery Period set forth in the Service Agreement. The Hourly Delivery Period shall be the minimum amount of time within which Panhandle shall be required to deliver Shipper's MDCQ. Shipper shall take the gas uniformly during the selected Hourly Delivery Period.

2.4 Service at a designated Point of Delivery under this Rate Schedule is limited to only one Service Agreement.

2.5 Service at the primary and secondary Point(s) of Receipt and eligible Point(s) of Delivery shall be provided on a firm basis subject to the scheduling, curtailment and interruption provisions of this Rate Schedule and Sections 8 and 9 of the General Terms and Conditions.

2.6 In addition to the nomination timeline provisions of Section 8 of the General Terms and Conditions, Shipper must notify Panhandle Gas Control by telephone at least three (3) hours prior to actual gas flow at the Point(s) of Delivery designated for service under this Rate Schedule.

2.7 Shipper may release all or a portion of its MDCQ pursuant to Section 15 of the GT&C provided, however, any such released capacity shall be subject to the terms and conditions of this Rate Schedule HFT. Capacity may be released for a minimum of one Day.

2.8 In no event shall Panhandle be obligated to provide any Transportation or Gathering service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under this Rate Schedule HFT shall be as follows:

3.1 Transmission Charge

If Shipper designates a Point(s) of Receipt or a Point(s) of Delivery on the transmission portion of Panhandle's system, Shipper shall pay a Monthly Transmission Charge which consists of a reservation component and a commodity component.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

(a) The reservation component of the Transmission Charge shall be the product of the Billing MDCQ and the applicable reservation rates per Dt. as set forth on the effective Tariff Sheet No. 17. The Billing MDCQ shall be determined by multiplying the MDCQ by 16 hours divided by the Hourly Delivery Period as set forth in the Service Agreement.

The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available. Shipper may elect to participate in the Customized Reservation Pattern program pursuant to Section 3.10 herein.

(b) The commodity component of the Transmission Charge shall be the product of the actual Quantity of Gas delivered during the Month and the applicable Transmission commodity rates per Dt. as set forth on the effective Tariff Sheet No. 17.

(c) If both the Point(s) of Receipt and the Point(s) of Delivery are located within the Field Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 17 for service within the Field Zone only; if both the Point(s) of Receipt and Point(s) of Delivery are located within the Market Zone, the applicable rates shall be as set forth on the effective Tariff Sheet No. 17 for service within the Market Zone only; if the Point(s) of Receipt and the Point(s) of Delivery are located in different zones, the applicable rates shall be derived by adding the effective rates for service in the Field Zone and the Market Zone.

3.2 Gathering Charge

If Shipper designates primary Point(s) of Receipt or Point(s) of Delivery on the Gathering portion of Panhandle's system or utilizes the Gathering portion of Panhandle's system for firm service hereunder, Shipper shall pay a Monthly Gathering Charge which shall consist of a reservation component and a commodity component.

(a) The reservation component of the Gathering Charge shall be the product of the Billing MDCQ and the applicable reservation rate per Dt. as set forth on the effective Tariff Sheet No. 17. The Billing MDCQ shall be determined by multiplying the MDCQ by 16 hours divided by the Hourly Delivery Period as set forth in the Service Agreement. The reservation component shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

(b) The commodity component of the Gathering Charge shall be the product of the actual Quantity of Gas delivered during the Month and the applicable commodity rate per Dt. as set forth on the effective Tariff Sheet No. 17.

If Shipper designates a Point(s) of Receipt on the Gathering portion of Panhandle's system as a secondary firm Point(s) of Receipt pursuant to Section 10.3(c) of the General Terms and Conditions, the otherwise applicable charges shall also include the Gathering commodity rate and overrun charge per Dt. as set forth on the effective Tariff Sheet No. 17.

3.3 Special Rate for Limited Class of Backhaul Service

For firm service hereunder for all volumes received at or East of Tuscola and delivered on Panhandle's Transmission facilities at or West of the Haven, Kansas Compressor Station, the rate charged shall be one-half the applicable Transmission charge per Dt. as set forth on the effective Tariff Sheet No. 17. Backhaul services provided which do not satisfy the foregoing specified criteria shall be charged the generally applicable rate.

3.4 Transportation Involving Pooling

The rates for firm Transportation under Rate Schedule HFT involving pooling, as set forth in Section 14 of the General Terms and Conditions, shall be as specified in this Section 3; provided that the rates charged for service under a Pooling Transportation Agreement shall not include the Field Zone Transmission Charges, so long as title to such Gas passes to another Shipper and the Quantities of Gas are delivered for immediate receipt and subsequent Transportation on Panhandle's system under a Service Agreement to which the Field Zone Transmission Charges apply. If the Pooling Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Field Zone charges, such charges shall not apply to the Quantities transported under the Corresponding Transportation Agreement but shall apply to the Pooling Transportation Agreement for such Month. In addition, if the Corresponding Shipper notifies Panhandle in writing at the time its initial nomination for the Month is submitted that it has agreed to pay the Gathering charges, such charges shall not apply to the Quantities transported under the Pooling Transportation Agreement but shall apply to the Corresponding Transportation Agreement for such Month.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

3.5 Surcharges

Shipper shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.6 Overrun Charges and Unauthorized Overrun Penalties

(a) If during one or more Days in the billing Month Shipper takes Quantities of Gas in excess of the applicable Maximum Daily Contract Quantity as stated in the Service Agreement (hereinafter called overrun quantities) for firm service hereunder, Shipper shall be subject to an Overrun Charge in addition to the applicable reservation and commodity charges and any balancing charges that may be applicable pursuant to Section 12 of the General Terms and Conditions. The applicable Overrun Charge per Dt. for such overrun quantities shall be as set forth on the effective Tariff Sheet No. 17. In addition, subject to the provisions of Section 3.6(b) of this Rate Schedule, Shipper shall be subject to an Unauthorized Overrun Penalty as set forth in Section 12.16 of the General Terms and Conditions.

(b) Unauthorized Overrun Penalty for Takes During an OFO

Panhandle may issue an OFO and, if it does so, Panhandle shall notify Shippers through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Once issued the OFO shall continue until Panhandle notifies Shippers to the contrary using the above methods. If the OFO requires the elimination of unauthorized overruns, the applicable Unauthorized Overrun Penalty shall be as set forth in Section 12.17(f)(ii) of the General Terms and Conditions.

(c) Takes in Excess of Shipper's Contracted Hourly Delivery Quantity

If Shipper's takes exceed the Hourly Delivery Quantity as stated in Shipper's Service Agreement for any hour during the Day, the applicable charge per Dt. for such excess quantities shall be $10 per Dt.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

This charge shall not apply to takes in excess of the Hourly Delivery Quantity if such excess Quantity has been nominated and scheduled in accordance with Section 8 of the General Terms and Conditions herein.

3.7 Range of Rates

Unless otherwise agreed to in writing by Shipper and Panhandle, any rate applicable to a Shipper for service hereunder, by reference to the effective Tariff Sheet No. 17 shall be the applicable Maximum Rate(s) set forth thereon. If an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be applicable prospectively.

3.8 Fuel Reimbursement

Shipper shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 17 for service hereunder.

3.9 Balancing Charges

If balancing charges are incurred in accordance with Section 12 of the General Terms and Conditions, then such balancing charges shall also be applicable.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

3.10 Customized Reservation Pattern (CRP)

(a) The CRP election provides an alternative method of paying the uniform monthly billing of the Reservation Charge set forth on the effective Tariff Sheet No. 17. Billing and payment of CRP Reservation Charges shall be in accordance with the reservation pattern elected by Shipper. Rates reflecting such Shipper CRP election shall be posted on the Messenger system and will be filed with the Commission on or before the first day of the Month of effectiveness of such election. The total annual Reservation Charges resulting from CRP will equal the total Reservation Charges Shipper would pay without the CRP election for the same annual period. An adjustment, if necessary, will be included on the invoice for the last month of the CRP period to ensure that the total Reservation Charges due Panhandle under Panhandle's uniform currently effective rates equals the Reservation Charges received by Panhandle under the CRP rates. All rights and obligations of Section 17 of the General Terms and Conditions shall apply to the Reservation Charge for each billing Month as elected by Shipper. In the event any CRP invoice shall be based on rates in effect subject to refund and refunds shall be required, refunds shall be calculated as if the CRP election had not been made.

(b) Shipper may elect flexible maximum reservation charges under CRP that are derived from the maximum uniform charges for service on the effective Tariff Sheet No. 17; provided, however, CRP election is not available to a Shipper with an effective rate agreement pursuant to Section 3.7 herein nor a Replacement Shipper pursuant to Section 15 of the General Terms and Conditions. Shipper shall submit to Panhandle an executed Exhibit B to its Service Agreement in order to participate in the CRP program.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

3.10 This Section 3.10 is intentionally left blank.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

In addition to the otherwise applicable charges set forth for monthly service on the effective Tariff Sheet No. 17 for November through March, a Shipper electing CRP™ will be allowed to pay up to 80% of the Reservation Charges due for the period April through October in the preceding November through March period. CRP™ elections which specify the portion of the April through October Reservation Charges to be paid during the preceding November through March period will be due by October 1 of each year to be effective November 1. Revised CRP™ elections will be allowed up to the fifteenth Business Day preceding the Month of Gas flow, for prospective application only, so long as the Shipper's total annual obligations for Reservation Charges during the 12 month CRP™ Period are not affected by such revisions and provided that such revisions do not result in the Reservation Charge for any month during the April through October period exceeding the charge which would have been applicable had the CRP™ election not been made.

(c) Maximum CRP™ reservation rates for each Shipper shall be reflected on effective Tariff Sheet No. 20.

(d) The usage rates set forth on effective Tariff Sheet No. 17 shall not be affected by the provisions of this Section 3.10.

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit C of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

3.11 Negotiated Rates

Shipper and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to the charges identified in Sections 3.1, 3.2 and 3.3 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than the Minimum Rate; may be based on a rate design other than straight fixed variable; and may include a minimum quantity. Such Negotiated Rate shall be set forth on Exhibit B of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any Shipper that does not choose a Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of scheduling, curtailment and interruption, and calculating the economic value of a request for unsubscribed firm capacity. In addition, a Shipper that does not agree to pay any surcharges will not be granted a scheduling preference that deems such surcharges have been paid. Replacement Shippers are not eligible for Negotiated Rates. Replacement Shippers may bid or pay a rate greater than Maximum Rate if the release of capacity is for a period of one year or less and the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit C of the executed Service Agreement. Nothing in this Section 3.10 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges including charges for takes in excess of Shipper's contracted hourly deliveries, plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE

In the event that capacity subject to a Negotiated Rate which is based on a rate design other than straight fixed variable is released, Shipper and Panhandle may agree on billing adjustments to the Releasing Shipper that may vary from or are in addition to those set forth in Section 15.6 of the General Terms and Conditions in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. Such payment obligation and crediting mechanism for capacity release shall be set forth on Exhibit B of the executed Service Agreement. Nothing in this Section 3.11 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Transmission Charge, the Gathering Charge, any applicable overrun and balancing charges including charges for takes in excess of Shipper's contracted hourly deliveries, plus all applicable surcharges.

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

RATE SCHEDULE DVS
DELIVERY VARIANCE SERVICE

1. AVAILABILITY

This Rate Schedule is available for Delivery Variance service performed by Panhandle Eastern Pipe Line Company, LP (hereinafter called Panhandle) for any party (hereinafter called DVS Party) which has executed a Delivery Variance Service Agreement in the form prescribed under Panhandle's FERC Gas Tariff for service under this Rate Schedule and

(a) which has executed a Transportation Agreement; or

(b) which operates a Point of Delivery.

2. APPLICABILITY AND CHARACTER OF SERVICE

This Rate Schedule shall apply to the firm Delivery Variance Service provided by Panhandle subject to the General Terms and Conditions herein and the further provisions of the Service Agreement. The service provided hereunder is available only to the DVS Party at a single Point of Delivery as designated in the Service Agreement.

Under this Rate Schedule, Panhandle shall manage delivery point daily scheduling variances up to the Maximum Daily Variance Quantity (MDVQ) as set forth in the Service Agreement; provided, however, the MDVQ shall not entitle the Shipper to take Quantities of Gas in excess of the MDCQ of the underlying Transportation Agreement(s). The maximum MDVQ under a DVS Service Agreement shall be determined on a case-by-case basis after evaluating Panhandle's existing firm obligations and system requirements.

If the DVS Party is a Shipper and the daily scheduling variance at the Point of Delivery exceeds the tolerance level, the MDVQ shall be added to the absolute value of the Shipper's calculated tolerance Quantity for the underlying Transportation Agreement as provided under Section 12.11(h) of the General Terms and Conditions. Any variance then remaining shall be subject to the daily scheduling charge.

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE

If the DVS Party is a delivery point operator, the MDVQ shall be added to the absolute value of the calculated tolerance Quantity for the delivery meter as provided in Section 12.11(h) of the General Terms and Conditions. Any variance then remaining shall be allocated back to the applicable Transportation Agreement(s) based on the predetermined allocation methodology for the designated Point of Delivery and shall be subject to the daily scheduling charge.

The service provided hereunder shall not affect the scheduling priorities of the underlying Transportation Agreements, as set forth in Section 8 of the General Terms and Conditions. Also, the service provided hereunder shall not affect the calculation of any overrun charge or overrun penalty applicable to the underlying Transportation Agreement(s).

In no event shall Panhandle be obligated to provide any Delivery Variance Service for which capacity is not available or which would require the construction or acquisition of new facilities or the modification or expansion of existing facilities.

3. RATES

The rates and charges for service under Rate Schedule DVS shall be:

3.1 Reservation Charge

The reservation charge applicable to this Rate Schedule shall be the product of the MDVQ times the reservation rate per Dt. as set forth on the effective Tariff Sheet No. 18. The service charge shall be pro-rated for the first and last contract Months to adjust for the number of Days during those Months service was available.

3.2 Commodity Charge

The commodity charge applicable to this Rate Schedule shall be the product of the actual Quantity of Gas applicable to the Delivery Variance Service each Day times the commodity rate per Dt. as set forth on the effective Tariff Sheet No. 18.

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE

3.3 Surcharges

DVS Party shall pay all surcharges specified in the General Terms and Conditions or which otherwise may be applicable to service under this Rate Schedule from time to time.

3.4 Range of Rates

Unless otherwise agreed to in writing by the DVS Party and Panhandle, any rate applicable to a DVS Party for service hereunder, by reference to the effective Tariff Sheet No. 18 shall be the applicable Maximum Rate set forth thereon. If an amount less than the applicable Maximum Rate is agreed upon, such amount shall be applicable prospectively.

3.5 Fuel Reimbursement

DVS Party shall reimburse Panhandle in kind for fuel usage and lost or unaccounted for Gas pursuant to the terms and conditions of the Service Agreement and as stated on the effective Tariff Sheet No. 18 for service hereunder.

3.6 Negotiated Rates

The DVS Party and Panhandle may agree, on a prospective basis, to a Negotiated Rate with respect to charges identified in Section 3.1 and 3.2 herein which may be less than, equal to or greater than the Maximum Rate; shall not be less than zero; and may be based on a rate design other than straight fixed variable. Such Negotiated Rate shall be set forth on Exhibit A of the executed Service Agreement and on the currently effective Tariff Sheet No. 21. The Maximum Rate shall be available to any DVS Party that does not choose a Negotiated Rate. Nothing in this Section 3.6 shall authorize Panhandle or Shipper to negotiate terms and conditions of service.

4. MONTHLY BILL

The Monthly Bill for service under this Rate Schedule shall be equal to the Reservation Charge, Commodity Charge and applicable surcharges.

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE

5. RESERVATIONS

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

6. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Panhandle's FERC Gas Tariff are applicable to this Rate Schedule and are hereby made a part hereof.

SHEET NOS. 128 THROUGH 199

RESERVED FOR FUTURE USE

PANHANDLE EASTERN PIPE LINE COMPANY, LP

GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS
INDEX

Section	Title	Sheet No.
1.	DEFINITIONS	203
2.	ELECTRONIC COMMUNICATION SYSTEM	210
3.	QUALITY OF GAS	213
4.	MEASUREMENT	215
5.	RESPONSIBILITY DURING TRANSPORTATION, STORAGE OR PARKING	218
6.	PROCEDURES FOR REQUESTING SERVICE RIGHTS	219
7.	CONTRACTING FOR SERVICE RIGHTS	224
8.	NOMINATION AND SCHEDULING OF SERVICE	231
9.	CURTAILMENT AND INTERRUPTION	241
10.	POINTS OF RECEIPT	245
11.	POINTS OF DELIVERY	252
12.	CONDITIONS OF RECEIPT AND DELIVERY	257
13.	POLICY FOR CONSTRUCTION OF NEW RECEIPT OR DELIVERY FACILITIES	284
14.	POOLING AND IN-FIELD TRANSFERS OF STORAGE INVENTORY	286
15.	PROCEDURES FOR CAPACITY RELEASE	288
16.	RESERVED FOR FUTURE USE	299
17.	STATEMENTS AND PAYMENTS	300
18.	PERIODIC RATE ADJUSTMENTS AND SURCHARGES	304

GENERAL TERMS AND CONDITIONS
INDEX (Continued)

Section	Title	Sheet No.
19.	WARRANTY AND ASSIGNMENTS	327
20.	FORCE MAJEURE	328
21.	TERMINATION FOR DEFAULT	329
22.	REGULATIONS	330
23.	OPERATING CONDITIONS IN CONJUNCTION WITH AFFILIATES	331
24.	FUEL REIMBURSEMENT ADJUSTMENT	332
25.	FLOW THROUGH OF CASH-OUT REVENUES AND PENALTIES IN EXCESS OF COSTS	334
26.	RESERVED FOR FUTURE USE	338
27.	MISCELLANEOUS	339

GENERAL TERMS AND CONDITIONS
INDEX (Continued)

Section	Title	Sheet No.
19.	WARRANTY AND ASSIGNMENTS	327
20.	FORCE MAJEURE	328
21.	TERMINATION FOR DEFAULT	329
22.	REGULATIONS	330
23.	OPERATING CONDITIONS IN CONJUNCTION WITH AFFILIATES	331
24.	FUEL REIMBURSEMENT ADJUSTMENT	332
25.	FLOW THROUGH OF CASH-OUT REVENUES AND PENALTIES	334
26.	RESERVED FOR FUTURE USE	338
27.	MISCELLANEOUS	339

GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions are applicable to any service provided hereunder:

1. DEFINITIONS

British Thermal Unit (Btu) shall mean the amount of heat required to raise the temperature of one (1) avoirdupois pound of pure water from 58.5øF to 59.5øF under standard conditions as described in Section 4.2.

Business Day shall mean Monday through Friday from 8:00 A.M. to 5:00 P.M. Central Time excluding Federal Banking Holidays.

Central Time shall mean Central Clock Time whether Central Standard Time or Central Daylight Savings Time.

Commission or FERC shall mean the Federal Energy Regulatory Commission or any successor regulatory agency.

Contract Year as used in Rate Schedules FT, EFT, SCT, IT, EIT, IOS, IIOS, GDS, TBS, LFT, HFT and DVS shall mean an annual period beginning the first Day of the Month following the effectiveness of the Service Agreement and ending twelve Months later; and as used in Rate Schedules WS, PS, IWS and FS shall mean an annual period beginning April 1 and ending the following March 31.

Corresponding Transportation Agreement shall mean a Transportation Agreement that identifies a Pool Point as a Point of Receipt and provides for further delivery downstream of the Pool Point.

Corresponding Shipper shall mean a Shipper that nominates receipts of Gas at a Pool Point for subsequent delivery under a Corresponding Transportation Agreement.

Daily Scheduling Charge shall mean the charge that applies to a Transportation Agreement when the difference between the sum of the actual Quantities of Gas delivered at any Point of Delivery and the sum of Quantities of Gas nominated at such point exceeds the tolerance level. The Daily Scheduling Charge under normal conditions is set forth in Section 12.11(h) of the General Terms and Conditions and the Daily Scheduling Charge that applies when Panhandle issues an OFO is set forth in Section 12.17 of the General Terms and Conditions.

GENERAL TERMS AND CONDITIONS
(Continued)

Day shall mean a period of twenty-four (24) consecutive hours beginning and ending at 9:00 A.M. Central Time. The reference date for any Day shall be the date of the beginning of such Day.

Dekatherm (Dt.) shall mean one thousand cubic feet of Gas (Mcf) with a heat content of 1,000 Btu per cubic foot on a measurement basis specified under Section 4 herein and based on the same pressure base as the volumes.

DVS Party shall mean the entity that has executed a Service Agreement under Rate Schedule DVS with Panhandle.

Electronic Funds Transfer shall mean payments made or effected by wire transfer (Fedwire, CHIPS, or Bank Book Entry) or Automated Clearing House (ACH) or any other recognized electronic or automated payment mechanism that is agreed upon by Shipper and Panhandle in the future.

Electronic Gas Measurement (EGM) shall mean that form of measurement equipment which may consist of a computerized remote terminal unit, transducers and other associated power, radio and sensing and other electronic devices to accomplish Gas measurement and transfer of data, without the use of charts.

Field Area Storage Facilities shall mean the storage facilities Panhandle owns and leases located upstream of the suction side of Panhandle's Haven, Kansas Compressor Station.

Field Zone shall mean the portion of Panhandle's system located on the suction side of Panhandle's Haven, Kansas Compressor Station and extending westward through Kansas, Oklahoma and Texas.

Flow Control Device shall mean a physical valve at a Point of Receipt or Point of Delivery on Panhandle's pipeline which provides Panhandle with control over flowing volumes at that point.

Former Tariff shall mean Panhandle's FERC GAS TARIFF, Original Volume No. 1.

Fuel Reimbursement shall mean the reimbursement of Panhandle by Shipper in kind for fuel usage and lost or unaccounted for Gas.

Gathering shall mean the receipt by Panhandle of Natural Gas from a wellhead or other facility connected to Panhandle's Gathering facilities and its Transportation to the outlet side of Panhandle's facilities at the terminus of any portion of Panhandle's Gathering system or such other mutually agreeable point(s) on Panhandle's Gathering system as set forth in the Transportation Agreement.

IOS Point shall mean the point near Panhandle's Haven, Kansas Compressor Station at which Gas is received for injection into Storage and Gas withdrawn from Storage is delivered to Panhandle under Rate Schedules IOS and IIOS.

Long-Term Agreement shall mean a Transportation or Storage Agreement with a primary term of one year or more from the effective date of the Agreement.

Market Area Storage Facilities shall mean the storage facilities Panhandle owns and leases located downstream of the discharge side of Panhandle's Haven, Kansas Compressor Station.

Market Zone shall mean the portion of Panhandle's system located on the discharge side of Panhandle's Haven, Kansas Compressor Station and extending eastward through Kansas, Missouri, Illinois, Indiana, Ohio and Michigan.

Master Delivery Point List (MDPL) shall mean the current list of meter stations and points available to Shippers as Points of Delivery as posted on the Messenger system at any time.

Master Parking Point List (MPPL) shall mean the current list of points available to Shippers as Parking points as posted on the Messenger system at any time.

Master Receipt Point List (MRPL) shall mean the current list of meter stations and points available to Shippers as Points of Receipt as posted on the Messenger system at any time.

Maximum Daily Contract Quantity (MDCQ) shall mean the maximum Quantity of Gas which Panhandle is obligated to deliver on any Day at a Point of Delivery to Shipper as specified in an executed Transportation Agreement.

Maximum Daily Injection Quantity (MDIQ) shall mean the maximum Quantity of Gas which Panhandle is obligated to inject into Storage for the account of Shipper on any Day as specified in an executed Storage Agreement.

Maximum Daily Variance Quantity (MDVQ) shall mean the maximum Quantity of Gas that Panhandle is obligated to manage under Rate Schedule DVS.

Maximum Daily Withdrawal Quantity (MDWQ) shall mean the maximum Quantity of Gas which Panhandle is obligated to withdraw from Storage for the account of Shipper on any Day as specified in an executed Storage Agreement.

Maximum Rate shall mean the applicable maximum rate as set forth on the currently effective Tariff Sheet Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 plus all surcharges specified in the General Terms and Conditions as may be applicable from time to time.

Maximum Stored Quantity (MSQ) shall mean the maximum Quantity of Gas which Shipper is permitted to have in Storage at any time during the Contract Year as specified in an executed Storage Agreement.

Messenger shall mean the electronic communication system offered by Panhandle on a nondiscriminatory basis to any Shipper that has compatible equipment for electronic transmission of data, provided that such Shipper has been assigned a USERID and password and agrees to comply with the procedures for access to Messenger and with the procedures for use of the Messenger system.

Minimum Rate shall mean the applicable minimum rate as set forth on the currently effective Tariff Sheet Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18.

Month shall mean the period beginning at 9:00 a.m. Central Time on the first Day of the calendar Month and ending at 9:00 a.m. Central Time on the first Day of the next succeeding calendar Month.

Mcf shall mean 1,000 cubic feet of Gas.

Mmcf shall mean 1,000,000 cubic feet of Gas.

Natural Gas or Gas shall mean either Natural Gas unmixed, or a mixture of natural and artificial Gas.

GENERAL TERMS AND CONDITIONS
(Continued)

Negotiated Rate shall mean the rate agreed to by Shipper and Panhandle which may be less than, equal to or greater than the Maximum Rate but shall not be less than the Minimum Rate. The Negotiated Rate may be based on a rate design other than straight fixed variable and may include a minimum quantity.

Operational Flow Order (OFO) shall mean an order issued by Panhandle in the circumstances specified in Section 12.17 requiring a Shipper(s) to take a certain action(s) or to refrain from taking a certain action(s).

Overrun Charge shall mean the charge that applies when a Shipper takes Quantities of Gas in excess of the MDCQ as stated in Shipper's Service Agreement under Rate Schedules FT, EFT, SCT, LFT and HFT. Overrun Charge shall also mean the charge that applies when Shipper exceeds the MDIQ or MDWQ under Shipper's Service Agreement as reflected in Section 3.6 of Rate Schedules IOS, WS and FS and Section 4.6 of Rate Schedule PS.

Panhandle shall mean Panhandle Eastern Pipe Line Company, LP.

Parking shall mean the receipt by Panhandle of Gas from or for the account of Shipper, the holding of such Gas for a period of time and the subsequent redelivery to Shipper.

Parking Agreement shall mean an agreement for Parking service provided under Rate Schedule GPS.

Point of Delivery shall mean a point at the outlet side of Panhandle's facilities at a point of interconnection between the facilities of Panhandle and the facilities of Shipper or Shipper's designee, a Pool Point or such other mutually agreeable point as set forth in the Service Agreement. Point(s) of Delivery located on the Gathering and transmission portions of Panhandle's system shall be identified in the Service Agreement.

Point of Receipt shall mean a point at the inlet side of Panhandle's facilities at a point of interconnection between the facilities of Panhandle and facilities of Shipper or Shipper's designee, a Pool Point or such other mutually agreeable point as set forth in the Service Agreement. Point(s) of Receipt located on the Gathering and transmission portions of Panhandle's system shall be identified in the Service Agreement.

Pool Point shall mean a point on Panhandle's system located at or west of Panhandle's Haven, Kansas Compressor Station which has been identified as a Point of Receipt in a Corresponding Transportation Agreement, subject to Section 14 herein. A Pool Point may not be located at a point where Gas physically enters or leaves Panhandle's system.

Pooling Shipper shall mean a Shipper under a Pooling Transportation Agreement.

Pooling Transportation Agreement shall mean a Transportation Agreement under Rate Schedules FT, EFT, IT, EIT or LFT that designates a Pool Point as the sole Point of Delivery.

Primary Path shall mean the portion of capacity physically located between the designated Primary Points of Receipt and Delivery.

PS Point shall mean the point near the Michigan and Ohio state line traversed by Panhandle's pipeline facilities at which Gas is received for injection into Panhandle's Market Area Storage Facilities and Gas withdrawn from such Storage facilities is delivered to Panhandle under Rate Schedule PS.

Quantity of Gas or any other substantially similar phrase shall be the number of units of Gas expressed in Dekatherms (Dt.).

Seasonal Storage shall mean Storage service provided under Rate Schedules WS, PS, IWS, or FS.

Service Agreement shall mean a Transportation Agreement, Storage Agreement, Parking Agreement, or Delivery Variance Service Agreement.

Storage shall mean the receipt by Panhandle of Gas from or for the account of Shipper, the retention by Panhandle of that Gas for a period of time in an underground facility and the redelivery to Shipper.

Storage Agreement shall mean an agreement for Storage service provided under Rate Schedules IOS, IIOS, WS, PS, IWS or FS.

Stored Volume shall mean the Quantity of Gas held by Panhandle in Storage for Shipper's account at any time.

Summer Period shall mean the period from April 1 through October 31.

Thermal or Thermally Equivalent shall mean an equal number of Btu's.

Transportation shall mean forward haul, backhaul or any other method of transport of Gas as defined in the FERC's Regulations, except Storage.

Transportation Agreement shall mean an agreement for Transportation service provided under Rate Schedule FT, EFT, SCT, IT, EIT, LFT, GPS or HFT.

Unauthorized Gas shall mean any Quantity of Gas, either received or delivered by Panhandle which cannot be identified as being received or delivered pursuant to a Transportation or Storage withdrawal nomination on behalf of an existing Shipper.

Unauthorized Overrun Penalty shall mean the penalty that applies when, on any Day, Shipper takes Quantities of Gas in excess of the MDCQ as stated in the Transportation Agreement or Quantities of Gas in excess of the MDIQ or MDWQ as stated in the Storage Agreement and such excess Quantities have not been scheduled by Panhandle.

Web Site shall mean Panhandle's HTML page accessible via the Internet's World Wide Web located at http://www.panhandleenergy.com.

Winter Period shall mean the period November 1 through March 31 of the next year.

WS Point shall mean the point at which Gas is received for injection into Storage and Gas withdrawn from Storage is delivered to Panhandle under Rate Schedules WS, IWS and FS. If Shipper's Service Agreement provides for Storage service under Rate Schedule WS, IWS, or FS from Panhandle's Market Area Storage Facilities, the WS Point shall be at a point near the Michigan and Ohio state line traversed by Panhandle's pipeline facilities; if Shipper's Service Agreement provides for Storage service under Rate Schedule WS, IWS, or FS from Panhandle's Field Area Storage Facilities, the WS Point shall be at a point near Panhandle's Haven, Kansas Compressor Station.

GENERAL TERMS AND CONDITIONS
(Continued)

2. ELECTRONIC COMMUNICATION SYSTEM

2.1 Panhandle has established an interactive electronic communication system, the Messenger® system, for use by any party, including Shippers and potential Shippers. The Messenger® system will be available on a nondiscriminatory basis to any party (hereinafter the "User") that has compatible equipment for electronic transmission of data, provided that such party has been assigned a user identification (USERID) and password, executes a Messenger® Agreement in the form prescribed in this tariff and agrees to comply with the procedures for use of the Messenger® system. Panhandle will provide timely and equal access to any and all information available on the Messenger® system.

2.2 The Messenger® system will provide on-line help, an interactive 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 capacityallocation log, notices of available capacity, affiliate and standards of conduct information. The Messenger® system will permitUsers to electronically download a file(s) from the Messenger® system and to split files into smaller files priorto such download. Panhandle will maintain and retain daily backup records of the information displayed on the Messenger® system for three years and permit Users to review those records, which will be archived and reasonably accessible. Information on the most recent entries will appear ahead of older information. Panhandle will periodically purge transactions from current Messenger® system files when transactions have been completed. Information that has been purged from the Messenger® system will be archived and will be available in hard copy for public inspection by appointment during regular business hours at Panhandle's principal place of business for at least three years thereafter and will be made available in electronic format. Notwithstanding this Section 2.2, Panhandle shall retain its affiliate waiver log for five years from the date of the waiver posting.

GENERAL TERMS AND CONDITIONS
(Continued)

2.3 The Messenger® system may be used to: (a) interactively execute or amend Service Agreements, and provide nominations pursuant to the applicable rate schedule and these General Terms and Conditions; (b) exercise a Right of First Refusal as an existing Shipper pursuant to Section 7.2 of the General Terms and Conditions or submit a bid as a Potential Shipper under such section; and (c) release capacity service rights pursuant to Section 15 of the General Terms and Conditions.

2.4 Through the Messenger® system the User may obtain:

(a) Information concerning the availability of capacity for firm and interruptible Transportation and Storage services (i) at receipt points (ii) on the mainline, (iii) at delivery points, and (iv) in Storage fields, and whether the capacity is available from Panhandle directly, through exercise of a Shipper's Right of First Refusal, or through capacity release from a Shipper.

(b) A listing of Point(s) of Receipt on Panhandle's system including the following information:

(i) Designation of Point of Receipt;
(ii) Location of Point of Receipt;
(iii) Operator name;
(iv) Availability of EGM;
(v) Whether the Point of Receipt is located on the transmission or Gathering portions of Panhandle's system;
(vi) Total firm capacity subscribed at the point;
(vii) Whether the point is measured by Panhandle or a third party.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) The minimum price, quantity, terms, special conditions, and releasing party names for all release notices submitted pursuant to Section 15 of the General Terms and Conditions.

(d) The price, term, and quantity offered for release of service rights under Section 15 of the General Terms and Conditions.

(e) The price, term, quantity, and names of parties for all completed releases of service rights under Section 15 of the General Terms and Conditions.

(f) The log of data used to allocate capacity.

(g) Panhandle's currently effective FERC Gas Tariff.

(h) On a best efforts basis, information concerning operational pressures at major pipeline interconnection points.

2.5 Electronic data interchange will be available on a nondiscriminatory basis to any party. A mutually acceptable agreement between Panhandle and such party is required for electronic transmission of data.

2.6 Any provisions of this FERC Gas Tariff requiring that matters be written or in writing are satisfied by either Shipper or Panhandle utilizing electronic transmission through the Messenger® system in accordance with the procedures for utilization of the Messenger® system or electronic data interchange as provided for in the Commission approved or permitted data sets, provided, however, that notification utilizing electronic data interchange or the Messenger® system which require actions by Shipper within 48 hours or less shall also be communicated by telephone or in writing. All other provisions requiring items or information to be written or in writing remain unchanged.

2.7 A Messenger® system User shall utilize the Messenger® system only in a manner permitted by, and subject to the conditions of, its Messenger® Agreement. Panhandle's liability for any damages which result from any use of the Messenger® system shall be limited to the direct results of Panhandle's negligence, bad faith, fraud or willful misconduct and shall not extend to consequential, indirect or punitive damages.

GENERAL TERMS AND CONDITIONS
(Continued)

3. QUALITY OF GAS

3.1 Gas received and delivered shall be merchantable Natural Gas; shall be free of water and liquid hydrocarbons; shall contain not more than 7 pounds of water vapor per MMcf, 1.0 grain of hydrogen sulphide and 20 grains of total sulphur (reduced by sulphur caused by odorization equipment) per 100 cubic feet, 2% of carbon dioxide (by volume), and 50 parts per million of oxygen; shall not contain any active bacteria or bacterial agent, including but not limited to sulphate reducing bacteria and acid producing bacteria; shall not contain any hazardous or toxic substances; and shall not exceed 120ø Fahrenheit in temperature. The Gas shall have a total or gross heating value of not less than nine hundred fifty (950) Btu and not more than one thousand two hundred (1,200) Btu per cubic foot at the Point of Receipt. Panhandle shall not be obligated to accept Gas for Transportation or Storage which does not meet these quality provisions. Shipper shall reimburse Panhandle for any loss, cost, damage, or expense incurred by Panhandle as a direct or indirect result of Shipper's failure to comply with the provisions of this Section 3.1.

3.2 If the Gas offered for Transportation by Shipper fails at any time to conform to any of the specifications set forth herein, then Panhandle shall have the right, either by written, oral or telephonic notice to Shipper, to refuse to accept all or any portion of such quality deficient Gas. If Panhandle refuses to accept Gas tendered by Shipper because such Gas does not conform to the specifications set forth herein, Shipper shall not be relieved of its obligation to pay any Access, Reservation, Transmission or Gathering charges or any other applicable charge in Panhandle's tariff, Rate Schedules or Service Agreements.

GENERAL TERMS AND CONDITIONS
(Continued)

3.3 Panhandle shall have the unqualified right to commingle Gas transported and/or stored hereunder with Gas from other sources. It is recognized that Gas delivered at a Point of Delivery may not be the same molecules as those received at a Point of Receipt. The Quantities of Gas delivered pursuant to a Transportation Agreement at a Point of Delivery shall be Thermally Equivalent to the Quantities of Gas received at the Point of Receipt, adjusted for Fuel Reimbursement.

GENERAL TERMS AND CONDITIONS
(Continued)

4. MEASUREMENT

4.1 Quantities of Gas received or delivered hereunder at each Point of Receipt and Point of Delivery shall be determined by either of Panhandle or Shipper responsible for measurement at such point, as listed on Exhibit A of the Service Agreement.

The heating value, specific gravity and super-compressibility (Mol percent of nitrogen and carbon dioxide) values of the Gas shall be determined at the beginning of receipt and delivery and annually thereafter, or at such frequency as may be found acceptable in practice. Water content shall be determined at intervals as found necessary in practice. Shipper may be required to test, at the receipt meter, for bacteria or bacterial agents if Panhandle so requires. Tests for bacteria or bacterial agents shall be conducted on samples taken from the meter run or other appurtenant piping using American Petroleum Institute (API) test method API-RP38 or any other test method acceptable to Panhandle which is currently available or may become available at any time during the term of the Transportation Agreement.

4.2 Such measurement, both volumetric and thermal, shall be at a temperature of 60§ Fahrenheit and at a pressure of 14.73 psia dry, and on the basis of the methods prescribed and published by the American Gas Association in conjunction with the ANSI/API 2530 Report as currently available and in accordance with any subsequent amendments thereof accepted and agreed upon between the parties if orifice meters are used. If positive displacement or turbine meters are used, measurement shall be performed in accordance with AGA-7 as currently available and with any subsequent amendments thereof accepted and agreed upon between the parties. For other metering methods, measurement shall be performed in accordance with generally accepted industry practices, as mutually agreed upon. Btu content shall be determined by taking the arithmetic average of the heating value as recorded by recording calorimeter or other method of determination generally accepted in the industry. Flowing temperature shall be determined by a recording thermometer or EGM.

GENERAL TERMS AND CONDITIONS
(Continued)

4.3 All measuring stations shall be acceptable to Panhandle and Shipper and installed and operated to conform to recognized industry standards, using flange connections and, where necessary, pulsation dampening equipment. Auxiliary equipment shall be installed so as not to interfere with the measurement of either party.

4.4 Either Panhandle or Shipper may witness the installation or maintenance of the other's equipment. Neither Panhandle nor Shipper shall be required to verify accuracy more often than once during any 30 Day period. If, upon test, accuracy is found to be within 2% by volume (chromatograph/calorimeter within 0.5%), measurements taken by such equipment shall be assumed to have been accurate. Any error exceeding these percentages shall require correction to zero error of previous recordings back to the date error began. If the beginning date of error is unknown, correction shall extend to one-half the time since the last test, not to exceed 16 Days.

4.5 Where wellhead compressors have been installed, the maximum permissible Square Root Error Indicator (SREI) shall be no greater than 1% for volumes less than 2 MMcf per Day and .5% for volumes greater than 2 MMcf per Day. The SREI shall be determined by tests at the orifice taps and shall be performed on the full operating range of the compressor.

GENERAL TERMS AND CONDITIONS
(Continued)

4.6 When the information necessary for billing purposes is in the control of the operator of the measuring facility and not in Panhandle's control, then the operator of that measuring facility shall furnish to Panhandle daily operational volumes of the previous twenty-four hours within a twenty-four hour period upon completion of the gas Day. In addition, the operator of the measuring facility shall furnish actual volume information to Panhandle on or before the fifth Day following each Month. If volumes are not available, an estimate shall be provided by the operator of the measuring facility to Panhandle by no later than 3:00 p.m. Central time on the fifth Day of each Month. If an estimate is not made by the operator of the measuring facility, then Panhandle shall estimate a Quantity of Gas based on the best information available. If an estimate is used for billing, Panhandle shall provide in the succeeding Month's billing, an adjustment based on any difference between actual Quantities of Gas and estimated Quantities of Gas.

GENERAL TERMS AND CONDITIONS
(Continued)

5. RESPONSIBILITY DURING TRANSPORTATION, STORAGE OR PARKING

As between Panhandle and Shipper, Panhandle shall be deemed to be in control and possession of the Gas transported and/or stored and/or parked hereunder only after the Gas is received at the Point of Receipt, and before it is delivered to or for the account of Shipper at the Point of Delivery. Shipper shall be deemed to be in control and possession at all other times. Whichever of Panhandle or Shipper is deemed to be in control and possession of the Gas shall be responsible for and shall indemnify the other party with respect to any losses, injuries, claims, liabilities or damages caused thereby and occurring while the Gas is in its possession.

GENERAL TERMS AND CONDITIONS
(Continued)

6. PROCEDURES FOR REQUESTING SERVICE RIGHTS

6.1 Persons desiring Transportation, Storage or Parking service must deliver a valid executed request for service rights in writing in the form specified by Panhandle's current service rights request form, as such may be revised from time to time. Written requests must be submitted to the following address:

Panhandle Eastern Pipe Line Company, LP
Attn: Customer Services
P. O. Box 4967
Houston, Texas 77210-4967
Phone: (713) 627-4272 or
1-800-275-7375
Facsimile: (713) 989-1178

6.2 Acceptance of a request for service rights and the continuation of service is contingent upon the Shipper satisfying, on an on-going basis, a credit appraisal by Panhandle. Panhandle shall apply consistent evaluation practices to determine the acceptability of Shipper's overall financial condition. Such credit appraisal shall be based upon the following information and criteria:

(a) Shipper shall provide current financial statements, annual reports, 10-K reports or other filings with regulatory agencies which discuss the Shipper's financial status, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available. Panhandle shall determine the acceptability of Shipper's overall financial condition, working capital, and profitability trends.

(b) Shipper shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted in 6.2(a) must show that Shipper's obligations are being paid on a reasonably prompt basis.

(c) Shipper shall confirm in writing that it is not operating under any chapter of the bankruptcy laws and is not subject to litigation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act but only with adequate assurance that the service billing shall be paid promptly as a cost of administration under the Federal Court's jurisdiction.

(d) Shipper shall confirm in writing that it is not subject to any uncertainty in any pending liquidation or regulatory proceedings in state or Federal courts or is not aware of any change in business conditions which could cause a substantial deterioration in its financial condition, a condition of insolvency or the inability to exist as an on-going business entity.

(e) If Shipper has an on-going business relationship with Panhandle, no delinquent balances should be outstanding for services provided previously by Panhandle and Shipper must have paid its account balances according to the established terms and not made deductions or withheld payment for claims not authorized by contract.

(f) Shipper shall confirm in writing that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the business entity's ability to remain solvent.

6.3 Upon notification by Panhandle that Shipper has failed to satisfy the credit criteria, or subsequently during the term of the Service Agreement no longer satisfies the credit criteria such Shipper may still obtain credit approval by Panhandle if it elects to provide one of the following: (a) an advance deposit; (b) a Standby

GENERAL TERMS AND CONDITIONS
(Continued)

Irrevocable Letter of Credit; (c) security interest in collateral found to be satisfactory to Panhandle; (d) a guaranty, acceptable to Panhandle, by another person or entity which satisfies credit appraisal. An advance deposit, Standby Irrevocable Letter of Credit, or security interest should at all times equal the three highest Months of estimated usage during the term of the Service Agreement.

6.4 If Shipper's credit standing ceases to meet Panhandle's credit requirements during the period of service, then Panhandle has the right to require security or prepayment as specified in 6.3 above. If security or prepayment is not tendered in a time period as reasonably determined by Panhandle, then Panhandle is not required to continue service.

6.5 If Shipper is unable to maintain credit approval, the executed Service Agreement shall terminate as of the first Day of the Month following written notice to Shipper.

6.6 In the event a Shipper or potential Shipper may have a complaint, the Shipper or potential Shipper shall:

(a) Provide Panhandle a written or oral description of the complaint, including the identification of the request for service rights, if applicable, by contacting Panhandle at the following:

Panhandle Eastern Pipe Line Company, LP
Attn: Customer Services
P. O. Box 4967
Houston, Texas 77210-4967
Phone: (713) 627-4272 or
1-800-275-7375
Facsimile: (713) 989-1178

(b) Panhandle shall respond initially within two Business Days and in writing within 30 Days advising Shipper or potential Shipper of the disposition of the complaint.

GENERAL TERMS AND CONDITIONS
(Continued)

6.7 A request for service rights shall not be valid and no request date shall be assigned until Panhandle has received in writing all of the information required or requested under Sections 6.1 and 6.2 herein. If Panhandle requests additional information or assurances in accordance with this Section, and such information is provided within seven Days of such request, Shipper's request for service rights shall be deemed to have been received when the information set forth in Sections 6.1 and 6.2 was received. Otherwise, Shipper's request for service rights shall become valid and a request date assigned when such additional information or assurances are actually received in writing by Panhandle.

6.8 Panhandle may require such other information as is required to comply with regulatory reporting or filing requirements.

6.9 To be considered valid, a request for firm service rights must be accompanied by payment of the lesser of (1) all applicable reservation charges, capacity charges and deliverability charges for one Month or (2) $10,000. Such payment must be made by Shipper to Panhandle. When service is commenced, this payment, with carrying charges computed in a manner consistent with Section 154.501(d) of the Commission's Regulations, shall be used to offset Shipper's Monthly bill. If the request is (1) withdrawn prior to the date Panhandle tenders a Service Agreement, (2) becomes void in accordance with Section 6.11, or

GENERAL TERMS AND CONDITIONS
(Continued)

(3) Panhandle declines to tender a Service Agreement, this payment shall be refunded with carrying charges. If Shipper's request expires, as set forth in Section 7, Shipper's payment shall be non-refundable.

6.10 If any information provided by Shipper pursuant to this Section 6 changes, Shipper shall be obligated to provide prompt written notice of such changes to Panhandle.

6.11 If Panhandle tenders a Service Agreement within ninety (90) Days of the date Shipper submits a valid request for service, Shipper shall have thirty (30) Days from the date the Service Agreement is sent to execute the Service Agreement, as set forth in Section 7.1 of these General Terms and Conditions. If Panhandle does not tender a Service Agreement within ninety (90) Days, Shipper's request shall be deemed to be null and void and of no further effect without prejudice to the Shipper's rights to submit a new request for service rights, and Shipper's payment pursuant to Section 6.9 shall be refunded with carrying charges.

GENERAL TERMS AND CONDITIONS
(Continued)

7. CONTRACTING FOR SERVICE RIGHTS

This Section 7 governs the order in which requests for Transportation or Storage service rights shall be accommodated where capacity is not available for all valid requests. It does not govern scheduling, which is governed by Section 8 herein.

7.1 Order For Accommodating Firm Service Rights

(a) Subject to the provisions of Section 7.2 hereof, as firm capacity becomes available for (1) Transportation, (2) Storage from Field Area Storage Facilities under Rate Schedule IOS, WS or FS, or (3) Storage from Market Area Storage Facilities under Rate Schedule WS, PS or FS, requests for firm services shall be fulfilled first, commencing with the requested service offering the greatest economic value for the capacity available. If the economic values, as determined below, of separate service requests are equal, then service shall be offered in sequence starting with the request for such service with the earliest date. If separate service requests have equal economic values and the same date of request, service shall be offered to such requests on a pro-rata basis.

(b) The economic value of request(s) for service rights shall be the net present value of the reservation charges, capacity charges and deliverability charges that Shipper would pay at the rates Shipper has requested, which shall not be less than the Minimum Rate nor greater than the Maximum Rates as stated on the currently effective Tariff Sheet governing such service, over the term of service specified in the request(s), utilizing as the annual discount factor the overall rate of return underlying Panhandle's currently effective rates. For purposes of determining the economic value of request(s) for service rights under Rate Schedule SCT, the net present value will be determined using the applicable reservation rate per Dt. under Rate Schedule EFT at a load factor of 100%. Shippers requesting service at a Negotiated Rate which exceeds the Maximum Rate will be considered to be paying the Maximum Rate for purposes of determining the economic value of request(s) for service rights.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) Within thirty (30) Days of the date firm capacity becomes available on a particular segment of Panhandle's system, Panhandle shall tender Service Agreements to potential Shipper(s) whose request(s) for firm service can be accommodated through the capacity that becomes available in accordance with the order established under Section 7.1(a).

If Panhandle tenders a Service Agreement, but does not receive the executed Service Agreement within 30 Days from the date the Service Agreement is sent, the request for service rights shall expire without prejudice to the prospective Shipper's right to submit a new request for service rights. In the event the prospective Shipper returns a Service Agreement with a rate less than that used to determine the economic value of the request or with a term less than that used to determine the economic value of the request or both, Panhandle shall redetermine the economic value of the Shipper's request in accordance with Section 7.1(b) hereof. If the request continues to qualify for service, and Panhandle agrees to the rate, Panhandle shall execute the Service Agreement. If the request does not continue to qualify for service, the Service Agreement shall be deemed null and void, and the prospective Shipper's request shall be modified in accordance with the terms proposed by the prospective Shipper.

7.2 Continuation of Long-Term Agreements for Firm Service; Right of First Refusal

(a) Panhandle shall continue to provide service pursuant to a Long-Term Agreement beyond the term specified in such Agreement if:

(i) The Long-Term Agreement is extended pursuant to Section 7.7, or

GENERAL TERMS AND CONDITIONS
(Continued)

(ii) If the Long-Term Agreement meets the eligibility standards below and Shipper agrees to match the bid having the greatest economic value, as defined in Section 7.1(b) hereof, for the firm service Shipper receives, or any portion thereof, which Panhandle has been offered in accordance with Section 7.2(b) and executes a new Service Agreement matching those terms. A Long-Term Agreement for firm service is eligible for the right of first refusal provisions in this Section 7.2 if the Long-Term Agreement (1) is in effect prior to August 1, 2000 or (2) commences on or after August 1, 2000 and the Long-Term Agreement provides for twelve (12) or more Months of consecutive service at the Maximum Rate applicable to the service or, if the service is not available for twelve (12) consecutive Months, the Long-Term Agreement provides for service for more than one year at the Maximum Rate applicable to the service. If a Shipper's Agreement does not qualify for the right of first refusal under this Section 7.2(a)(ii), then Panhandle in a not unduly discriminatory manner may agree otherwise with any such Shipper.

(b) The procedures specified in this Section 7.2(b) shall be followed to determine whether a Long-Term Agreement will be continued in accordance with Section 7.2(a)(ii).

(i) Shipper must give timely notice that it wants to continue service beyond the term of the Agreement. For the notice to be timely, Shipper must notify Panhandle within the following periods:

Stated Contract Term	Months Prior To Contract Expiration
2 years or longer	Not earlier than 18 Months and not later than 12 Months
Less than 2 years	Not earlier than 9 Months and not later than 6 Months

GENERAL TERMS AND CONDITIONS
(Continued)

Panhandle shall notify each Shipper not earlier than 45 Days and not later than 30 Days prior to the last Day Shipper can give timely notice hereunder.

(ii) Upon receipt of the Shipper's notice, Panhandle shall post on the Messenger system for a period of 45 Days ("Posting Period") the Maximum Daily Contract Quantity under the Shipper's Long-Term Agreement and the primary Point(s) of Receipt and Point(s) of Delivery thereunder.

GENERAL TERMS AND CONDITIONS
(Continued)

(iii) During the Posting Period Panhandle shall accept requests for all or a portion of the Shipper's service rights under the Long-Term Agreement from any prospective Shipper that has submitted a valid request for service rights in accordance with the provisions of Section 6.1 hereof.

(iv) If, during the Posting Period, Panhandle receives an acceptable offer for all or a portion of the service rights under Shipper's Long-Term Agreement, Panhandle shall notify Shipper in writing of the offer having the greatest economic value, as defined in Section 7.1(b) hereof; provided, that for purposes of value comparisons under this section the rate utilized shall be limited to the Maximum Rate that can be charged to the existing Shipper. If Shipper elects to match the offer, Shipper shall notify Panhandle of such election in writing within 30 Days after receiving notice from Panhandle and shall execute a new Service Agreement matching the offer within 30 days after Panhandle has tendered the Service Agreement. If Shipper elects not to match the offer or does not execute the Service Agreement within 30 days, Panhandle will tender a Service Agreement to the prospective Shipper submitting the offer having the greatest economic value. If the Service Agreement is not executed within 30 days, the request for service rights shall expire without prejudice to the prospective Shipper's right to submit a new request for service rights. Panhandle shall then notify the Shipper in writing of the acceptable offer, if any, having the next greatest economic value in accordance with the provisions of this Section 7.2(b)(iv). If there is no other acceptable offer, the Shipper may continue service in accordance with Section 7.2(b)(v).

GENERAL TERMS AND CONDITIONS
(Continued)

(v) If no acceptable offers are received, Panhandle shall so notify Shipper within 15 days after the close of the Posting Period. In such event, Shipper may continue to receive service under a new Long-Term Agreement with any term Shipper chooses, at the applicable Maximum Rate or at a rate agreed to by Panhandle and Shipper. Shipper must notify Panhandle of its intent and indicate the term of the new Long-Term Agreement within 15 days of having been notified in writing by Panhandle that no acceptable offer was received. Panhandle will then be obligated to tender the new Long-Term Agreement to Shipper within 15 days of Shipper's notification. If Shipper (1) fails to provide Panhandle the term of the requested new Long-Term Agreement within the required 15 day period, or (2) does not return an executed Service Agreement reflecting such term to Panhandle within 30 days of the date such contract is tendered, then Shipper shall be deemed to have elected not to continue service under a Long-Term Agreement pursuant to the provisions of Section 7.2 herein.

(vi) Panhandle shall post the winning bid and bidder on the Messenger system for ninety (90) Days whether or not the bidder executes a Service Agreement.

(c) If a Long-Term Agreement is not continued in accordance with Section 7.2(a) above, such Agreement shall terminate as specified therein.

(d) The provisions of this Section 7.2 shall not apply to firm Transportation service initiated pursuant to the exercise of conversion rights under 18 CFR, Section 284.10, and which took effect between February 13, 1991 and May 18, 1992.

7.3 Panhandle shall not be obligated to tender, execute or continue a Service Agreement for service at any rate less than the Maximum Rate set forth in the effective tariff sheets applicable to the service requested. It shall be Panhandle's sole discretion to tender, execute or continue a Service Agreement at any rate less than the applicable Maximum Rate for the service requested. Panhandle and Shipper must agree to any rate requested at less than the applicable Maximum Rate before Panhandle becomes obligated to tender, execute or continue a Service Agreement for firm service at any rate less than the applicable Maximum Rate.

7.4 Once a Service Agreement for firm Transportation or Storage is executed, the economic value of the Service Agreement shall be determined in accordance with Section 7.1(b). During the term of the Service Agreement any change Shipper may make in the terms of the Service Agreement shall not reduce such economic value of the Service Agreement to Panhandle without Panhandle's written consent.

7.5 Elimination of Inactive Interruptible Service Agreements

Panhandle may terminate Shippers' Service Agreements under Rate Schedules IT, EIT, IIOS, IWS and GPS, upon thirty (30) days prior written notice to Shippers who have not submitted nominations to either transport, store Gas, or park Gas under such Service Agreements within the immediately preceding twelve (12) Months.

7.6 Contract Reduction Rights

Shipper may elect one or more of the following options to reduce its contract quantity (MDCQ, MSQ, MDIQ, MDWQ or MDVQ, as applicable) during the term of its Service Agreement. Shipper's eligibility for a contract quantity reduction option and Shipper's ability to exercise such option is subject to the terms, conditions and procedures specified below including those in Section 7.6(e).

(a) Regulatory Unbundling

(1) Eligibility

Shipper is a local distribution company or its agent under the direct regulation of a state regulatory or legislative body and Shipper is required by a final order of that state body to unbundle its merchant and transportation functions. Such state body does not approve a mechanism to provide Shipper the opportunity to recover costs incurred by Shipper under Shipper's Service Agreement(s).

(2) Notice and Certification

Shipper shall give Panhandle sixty (60) days prior written notice of the anticipated effective date of the requested contract quantity reduction. The notice shall state the

GENERAL TERMS AND CONDITIONS
(Continued)

reduction sought, the date or anticipated date of a final order requiring unbundling, and the anticipated effective date of the unbundling order. At the time of such notice, Shipper must certify with supporting data that:

(i) The contract quantity reduction requested is equal to the level of stranded capacity on Panhandle resulting from (1) Shipper unbundling its distribution/transportation functions from its merchant functions and (2) a net decrease in Shipper's system sales requirements.

(ii) Shipper has used reasonable efforts to seek state body approval of a mechanism that allows Shipper to recover the costs incurred under Shipper's Service Agreements and that such recovery efforts were unsuccessful prior to requesting its contract quantity reduction.

(iii) Shipper has used reasonable efforts to release its capacity to Replacement Shippers, by posting the capacity on the Messenger system for thirty (30) days at the rate provided for under the relevant Service Agreement(s). Additionally, Shipper has used reasonable efforts to release its capacity to the new merchants of retail service in its service territory and to request that its state body require new merchants to accept release of such capacity for the remaining term of the Service Agreement.

(3) Level of Reduction

Shipper may reduce its aggregate contract quantity under all of its Service Agreements with Panhandle by an amount that qualifies under the above specifications. If Shipper is served by other natural gas pipelines in addition to Panhandle, Shipper may only reduce its contract quantity on Panhandle by an amount that is prorated based on the respective levels of firm transportation service that Shipper holds on

GENERAL TERMS AND CONDITIONS
(Continued)

Panhandle and such other natural gas pipelines. Unless otherwise agreed, if more than one Service Agreement with Panhandle is used to serve the system sales requirements no longer served by Shipper as a result of unbundling, Shipper shall reduce its contract quantity on the Panhandle Service Agreements pro rata based on the contract quantity of each Service Agreement. Unless otherwise agreed, any reduction in contract quantity shall result in a pro rata reduction in Shipper's quantities at primary Points of Receipt and primary Points of Delivery.

(4) Effective Date

The reduction shall take effect on the later of (i) the effective date of unbundling or the date of a final order requiring unbundling; and (2) the first calendar day of the month following the sixtieth (60th) day after Shipper's written notice of the anticipated effective date of the reduction.

(b) Loss of Load

(1) Eligibility

Shipper is a local distribution company or its agent or a municipality that experiences a loss of load. Loss of load occurs when any of Shipper's firm customers with daily requirements on facilities owned or operated by Shipper exceeding 100 Dth/day either permanently cease gas consuming operations or reduce such operations to plant protection levels, or by-pass Shipper by directly connecting to Panhandle. Shipper may elect to take the contract quantity reduction described in this paragraph or Shipper may elect to reduce its contract quantity pursuant to FERC's bypass policies in effect at the time the bypass occurs, but not both.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) Notice and Certification

Shipper must give Panhandle written notice no more than thirty (30) days after Shipper receives notice from its customer of a loss of load, which notice shall state the contract quantity reduction sought and the date that Shipper anticipates it will lose the load. At the time of such notice, Shipper must certify with supporting data that:

(i) The load lost was actually served by the Shipper with gas transported by Panhandle on a firm basis as of the date that Shipper's Service Agreement with Panhandle became effective.

(ii) The reduction requested is equal to or less than the actual load lost.

(iii) Shipper has used reasonable efforts to release its capacity to Replacement Shippers, by posting the capacity on the Messenger system for thirty (30) days at the rate provided for under the relevant Service Agreement(s).

(3) Level of Reduction

Shipper may reduce its aggregate contract quantity under all of its Service Agreements with Panhandle by an amount up to the firm daily contract quantity that was used to serve the lost load. If the lost load is served by other natural gas pipelines in addition to Panhandle, Shipper may only reduce its contract quantity on Panhandle by an amount that is prorated based on the respective levels of firm transportation service used to serve the lost load that Shipper holds on Panhandle and such other natural gas pipelines. If more than one Service Agreement on Panhandle serves the lost load, any contract quantity reduction shall be applied first to the Service Agreement with the lowest rate, unless otherwise agreed. Any reduction in contract quantity shall result in a pro-rata reduction in Shipper's quantities at primary Points of Receipt and primary Points of Delivery, unless otherwise agreed.

GENERAL TERMS AND CONDITIONS
(Continued)

(4) Effective Date

The reduction shall take effect on the later of the effective date of the lost load or the first calendar day of the month following the sixtieth (60th) day after Shipper's written notice.

(c) Plant Outage

(1) Eligibility

Shipper, an industrial customer of Panhandle, closes its plant or implements a permanent and material reduction in its production output.

(2) Notice and Certification

Shipper must give Panhandle written notice no more than thirty (30) days following a public announcement that its plant will be closed or will permanently and materially reduce its production output. The notice shall state the contract quantity reduction sought and the date that Shipper anticipates that the plant will be closed or permanently and materially reduce plant output. At the time of such notice, Shipper must certify with supporting data that:

(i) The plant was actually served by the Shipper with gas transported by Panhandle on a firm basis as of the date that Shipper's Service Agreement with Panhandle became effective.

(ii) The plant closing or reduction of operations and the quantity of any such permanent reduction in plant output has been publicly announced.

(iii) The delivery point at which Panhandle makes deliveries to the plant is listed as a primary Point of Delivery on Shipper's Service Agreement.

GENERAL TERMS AND CONDITIONS
(Continued)

(iv) Shipper has used reasonable efforts to release its capacity to Replacement Shippers, by posting the capacity on the Messenger® system for thirty (30) days at the rate provided for under the relevant Service Agreement(s).

(3) Level of Reduction

In the event of a permanent and material reduction in the plant's output, Shipper may only reduce its contract quantity by a percentage equal to the percentage that the production decrease represents to the total plant output. In the event of a plant closing, Shipper may reduce its aggregate contract quantity under all of its Service Agreements that serve the plant by an amount up to the daily contract quantity delivered to the plant. If Shipper's plant is served by other natural gas pipelines in addition to Panhandle, Shipper may only reduce its contract quantity on Panhandle by an amount that is prorated based on the respective levels of firm transportation service used to serve the plant that Shipper holds on Panhandle and such other natural gas pipelines. If more than one Service Agreement on Panhandle serves such plant, any contract quantity reduction shall be applied first to the Service Agreement with the lowest rate, unless otherwise agreed. Any reduction in contract quantity shall result in a pro rata reduction in Shipper's quantities at primary Points of Receipt and primary Points of Delivery, unless otherwise agreed.

(4) Effective Date

The reduction shall take effect on the later of the first calendar day of the month following the sixtieth (60th) day after Shipper's written notice or the effective date of the plant's permanent and material output reduction or closing.

GENERAL TERMS AND CONDITIONS
(Continued)

(d) Buyout

(1) Eligibility

Shipper may elect to reduce some or all of the contract quantity on its firm Service Agreement(s) by making one or more of the following cash payments to Panhandle.

The total amount of the cash payment that Shipper must pay Panhandle shall be 100 percent of the net present value of the reservation charge payments applicable to the reduced quantities that Panhandle would have otherwise received had Shipper continued to pay Panhandle under the remaining term of the Service Agreement. The economic value shall be calculated in accordance with Section 7.1(b) hereof.

(2) Notice

Shipper shall give Panhandle sixty (60) days prior written notice of the date it elects to exercise this contract quantity reduction option.

(3) Level of Reduction

Unless otherwise agreed, any reduction in contract quantity shall result in a pro rata reduction in Shipper's quantities at primary Points of Receipt and primary Points of Delivery.

(4) Effective Date

The reduction shall take effect on the requested date following the sixty (60) days notice period. The payment required under Section 7.6(d)(1) must be received by Panhandle prior to the effective date of the reduction.

GENERAL TERMS AND CONDITIONS
(Continued)

(e) To be eligible for any contract quantity reduction option under this Section 7.6, Shipper's Service Agreement must have a term of five (5) years or more and a remaining term of two (2) years or less, unless otherwise agreed.

(f) To be eligible for any contract quantity reduction option, any costs that Shipper has agreed to reimburse Panhandle for facilities constructed or installed by Panhandle to provide service under Shipper's Service Agreement(s) shall have been fully reimbursed.

(g) Shipper must pay all its outstanding invoices before Shipper is eligible for any contract quantity reduction.

(h) Shipper's Service Agreement(s) shall have a zero imbalance before Shipper is eligible for any contract quantity reduction.

(i) If Shipper has Storage and related Transportation contracts that are eligible for contract reduction options under this Section 7.6, quantities under the Storage and related firm Transportation services shall be proportionally reduced so that Storage service quantities, including Storage capacity and deliverability quantities, and related Transportation service quantities remain proportionately the same.

(j) The provisions of Section 7.2(b) of these General Terms and Conditions shall not apply to the quantity reduced pursuant to this Section 7.6.

7.7 Prior to the expiration of the term of an existing Service Agreement and prior to Panhandle's posting the availability of the capacity under Section 7.2(b)(ii), if applicable, Panhandle and the existing Shipper may mutually agree to an extension of the term of the Service Agreement with respect to all or part of the underlying capacity (the exact length of which is to be negotiated on a case-by-case basis in a not unduly discriminatory manner).

GENERAL TERMS AND CONDITIONS
(Continued)

8. NOMINATION AND SCHEDULING OF SERVICE

8.1(a) If Shipper desires the Transportation or Storage of Gas on any Day under Panhandle's firm or interruptible Rate Schedules, Shipper shall furnish to Panhandle written nominations indicating Quantities of Gas to be received and delivered or stored by Panhandle, by individual Point of Receipt and individual Point of Delivery, as required below. Such nominations shall reflect the Quantities of Gas for each Point of Receipt and each Point of Delivery. Such nominations also shall be in balance, except to the extent they reflect any previous imbalance make-up Quantities of Gas and shall reflect scheduled daily variations. Nominations for Point(s) of Receipt shall include applicable Fuel Reimbursement Quantities. Overrun Quantities may be requested either in Shipper's standard nomination or in a separate nomination.

(b) If, at any time Shipper's receipt nominations and receipt actuals or delivery nominations and delivery actuals for any contract are out of balance by the greater of 1,000 Dt. or 5% of the nomination or if the difference between actual receipts and actual deliveries is greater than 5% of the delivery nominations, Panhandle shall be entitled, upon notice to Shipper, to adjust Shipper's nominations to bring them into balance. If actual receipts or deliveries are reduced by a meter operator, Panhandle shall be entitled, upon notice to Shipper, to adjust Shipper's nominations for the affected contracts to bring them into balance. Panhandle's entitlement to adjust Shipper's nominations shall not relieve Shipper of the obligation to pay any balancing, scheduling or any other penalties provided for in these General Terms and Conditions.

GENERAL TERMS AND CONDITIONS
(Continued)

8.2 Panhandle will accept nominations for service as follows:

(a) Next Day Service

A new nomination for service commencing the next Day will be accepted if the nomination is submitted in writing on the Day prior to the proposed effective date.

The nomination timeline in Central Time on the Day prior to Gas flow shall be the following:

The Timely Nomination Cycle

11:30 a.m.	Nomination leaves control of the Shipper
11:45 a.m.	Receipt of nomination by Panhandle (including from title transfer tracking service providers)
12:00 p.m.	Panhandle provides quick response for validity of data elements
3:30 p.m.	Completed confirmations from upstream and downstream connected parties provided to Panhandle
4:30 p.m.	Scheduled Quantities made available by Panhandle for receipt by Shipper and point operator

In addition, at the end of each Day Panhandle shall make available to Shippers information containing scheduled Quantities, including scheduled intra-day nominations and any other scheduling changes.

Shipper shall specify a begin date, time and end date for each standard nomination. Such begin date and end date shall be within the term of Shipper's Service Agreement. To the extent that Shipper desires to change its nomination for any Day, Shipper must submit a new nomination for such Day. When a nomination for a date range is received, each day within that range is considered an original nomination. When a subsequent nomination is received for one or more days within that range, the previous nomination

GENERAL TERMS AND CONDITIONS

(Continued)

is superseded by the subsequent nomination only to the extent of the days specified. The days of the previous nomination outside the range of the subsequent nomination are unaffected. Nominations have a prospective effect only. If a Shipper fails to provide a nomination on or before the nomination deadline, Panhandle shall deem the Shipper's nomination to be zero.

Panhandle shall have the right to refuse to receive or deliver any Gas not timely and properly nominated and confirmed. Shipper shall indemnify and hold Panhandle harmless from and Panhandle shall not be liable to Shipper or any other person as a direct or indirect consequence of such refusal.

(b) Intra-day Nominations

Any nomination submitted after the deadline set forth in Section 8.2(a) above shall be an intra-day nomination. An intra-day nomination shall be effective for one Day only. An intra-day nomination shall specify an effective date, time and the Daily Quantity. The interconnected parties shall agree on the hourly flows for such Day. Nominations for intra-day changes in service will be accepted subject to operator confirmation, verification, and operating conditions. Quantities shall be deemed to be flowing if the operator at the Point of Receipt has confirmed delivery to Panhandle.

The intra-day nomination timeline in Central Time on the Day prior to Gas flow shall be the following:

The Evening Nomination Cycle

6:00 p.m.	Nomination leaves control of the Shipper
6:15 p.m.	Receipt of nomination by Panhandle (including from title transfer tracking service providers)
6:30 p.m.	Panhandle provides quick response for validity of data elements
9:00 p.m.	Completed confirmations from upstream and downstream connected parties provided to Panhandle

GENERAL TERMS AND CONDITIONS
(Continued)

10:00 p.m.	Scheduled Quantities provided by Panhandle to affected Shippers, point operators and bumped parties (notice to bumped parties)

Scheduled Quantities resulting from an Evening Nomination that does not cause another Shipper to receive notice that it is being bumped should be effective at 9:00 a.m. on the gas Day; and when an Evening Nomination causes another Shipper to receive notice that it is being bumped, the scheduled Quantities should be effective at 9:00 a.m. on the gas Day.

The intra-day nomination timelines in Central Time on the Day of Gas flow shall be the following:

(1) The Intra-day 1 Nomination Cycle

10:00 a.m.	Nomination leaves control of the Shipper
10:15 a.m.	Receipt of nomination by Panhandle (including from title transfer tracking service providers)
10:30 a.m.	Panhandle provides quick response for validity of data elements
1:00 p.m.	Completed confirmations from upstream and downstream connected parties
2:00 p.m.	Scheduled Quantities provided by Panhandle to affected Shippers, point operators and bumped parties (notice to bumped parties)
5:00 p.m.	Intra-day 1 nomination effective

(2) The Intra-day 2 Nomination Cycle

5:00 p.m.	Nomination leaves control of the Shipper
5:15 p.m.	Receipt of nomination by Panhandle (including from title transfer tracking service providers)
5:30 p.m.	Panhandle provides quick response for validity of data elements
8:00 p.m.	Completed confirmations from upstream and downstream connected parties

GENERAL TERMS AND CONDITIONS
(Continued)

9:00 p.m. Scheduled Quantities provided by Panhandle to Shipper and point operator

9:00 p.m. Intra-day 2 nomination effective

Bumping is not allowed during the Intra-day 2 Nomination Cycle.

In the event that all or part of an interruptible Shipper's scheduled Quantity is reduced as the result of a nomination by a firm Shipper in the Evening Nomination Cycle or the Intra-day 1 Nomination Cycle, such interruptible Shipper shall be notified of the bump through the Messenger system, the Web Site and by telephone and facsimile communication.

For purposes of this Section 8.2(b), "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.

(c) Panhandle may waive any part of the notice requirements of Section 8.2(a) or Section 8.2(b), upon request, if operating conditions permit such waiver. Shipper shall notify Panhandle immediately of any unexpected changes in volumes tendered for receipt or delivery, whether or not such notice conforms to the times set out herein.

8.3 Shippers shall cause the Operator of each Point of Receipt and each Point of Delivery designated in any nomination under Section 8.2 to confirm all such nominations in writing prior to implementation by Panhandle.

8.4 This section is reserved for future use.

8.5(a) Shipper shall cause Operators at their Points of Receipt and Points of Delivery to provide in writing to Panhandle a predetermined daily allocation methodology for measured Quantities of Gas (based on scheduled nominations) before the start of the Day. Parties may agree upon one of the following allocation methodologies: ranked, pro rata, percentage, swing and operator provided value. In the event the parties cannot agree on an allocation methodology, pro rata based on confirmed nominations will be used as the default method. The party responsible for custody transfer (the party performing the measurement function) must provide the allocation. Panhandle will accept such allocation if operationally or administratively feasible.

GENERAL TERMS AND CONDITIONS
(Continued)

(b) Changes to the daily allocation methodology may be made during the Month. Such changes must be submitted before the start of the Day. No retroactive reallocations of any transactions shall be permitted.

(c) If the daily allocation methodology at a Point of Delivery identifies a Service Agreement, other than the meter holder's Service Agreement to be allocated the last Quantities through the meter, the Shipper whose Service Agreement has been identified must agree to the allocation methodology before it may become effective. Quantities delivered under Rate Schedule GDS must be allocated as the last Quantities through the meter.

8.6 Shipper may change the person(s) designated in the service rights request form to provide the nomination information set forth in this section to Panhandle. Such change shall be effective immediately upon receipt by Panhandle of Shipper's written notification. If Shipper designates another person to provide this information, Panhandle shall be entitled to rely on the nominations provided by Shipper's prior designee until such nominations are changed in accordance with this Section 8.

8.7 Nominations shall also specify such additional information which may be needed for Panhandle to accept Commission approved or permitted standard data elements necessary to perform service.

8.8 Quantities of Gas nominated for Transportation or Storage by Shippers pursuant to Section 8.3 shall be scheduled by Panhandle for receipt and delivery in the following order:

GENERAL TERMS AND CONDITIONS
(Continued)

(a) Scheduling of Receipts

(1) Firm service from primary Point(s) of Receipt, adjusted for Fuel Reimbursement.

(2) Firm service from secondary Point(s) of Receipt within the Primary Path, adjusted for Fuel Reimbursement, beginning with service charged the applicable Maximum Rate followed by firm service from secondary Point(s) of Receipt within the Primary Path charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Within each category, Quantities of Gas will be scheduled pro-rata.

(3) Firm service from secondary Point(s) of Receipt outside the Primary Path, adjusted for Fuel Reimbursement, beginning with service charged the applicable Maximum Rate followed by firm service from secondary Point(s) of Receipt outside the Primary Path charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Within each category, Quantities of Gas will be scheduled pro-rata.

(4) Interruptible service from Point(s) of Receipt, beginning with interruptible service charged the applicable Maximum Rate, followed by interruptible service from Point(s) of Receipt charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Interruptible service provided under Rate Schedule EIT will be scheduled before interruptible service provided under Rate Schedule IT charged a rate equally proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Authorized Quantities in excess of the MDCQ shall be scheduled as interruptible. Within each category of interruptible service, Transportation shall be scheduled in sequence, starting with the service with the earliest request date.

(5) Gas Parking Service.

GENERAL TERMS AND CONDITIONS
(Continued)

(6) Within each service category provided in (1) through (4) above, a Shipper may, through electronic data interchange, provide a ranking of individual Points of Receipt within a Shipper's Service Agreement in the event the entirety of the Shipper nomination cannot be scheduled.

(b) Scheduling of Deliveries

(1) Firm service to primary Point(s) of Delivery.

(2) Firm service to secondary Point(s) of Delivery within the Primary Path beginning with service charged the applicable Maximum Rate followed by firm service to secondary Point(s) of Delivery within the Primary Path charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Within each category, Quantities of Gas will be scheduled pro-rata.

(3) Firm Service to secondary Point(s) of Delivery outside the Primary Path beginning with service charged the applicable Maximum Rate followed by firm service to secondary Point(s) of Delivery outside the Primary Path charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Within each category, Quantities of Gas will be scheduled pro-rata.

(4) Interruptible service to Point(s) of Delivery beginning with interruptible service charged the applicable Maximum Rate, followed by interruptible service charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate (expressed as a percentage of the Maximum Rate). Interruptible service provided under Rate Schedule EIT shall be scheduled before interruptible service provided under Rate Schedule IT charged a rate equally proximate to the maximum rate (expressed as a percentage of the maximum rate). Authorized Quantities in excess of the MDCQ shall be scheduled as interruptible. Within each category of interruptible service, service shall be scheduled in sequence starting with the service with the earliest request date.

GENERAL TERMS AND CONDITIONS
(Continued)

(5) Gas Parking Service.

(6) Within each service category provided in (1) through (4) above, a Shipper may, through electronic data interchange, provide a ranking of individual Points of Delivery within a Shipper's Service Agreement in the event the entirety of the Shipper nomination cannot be scheduled.

(c) If Panhandle is unable to schedule all Quantities nominated because of a point of constraint, other than at a Point of Receipt or Delivery, Panhandle will schedule Gas through such point of constraint in accordance with the location of the point of constraint. If the point of constraint is located at or west of Panhandle's Haven, Kansas Compressor Station, Panhandle will schedule firm service from primary Point(s) of Receipt and from secondary Point(s) of Receipt equally if the point of constraint is within the Primary Path of the Transportation service using the secondary Point(s) of Receipt, and service from other Point(s) of Receipt in the order specified in Section 8.8(a)(3) through (5). If the point of constraint is located east of Panhandle's Haven, Kansas Compressor Station, Panhandle will schedule firm service from primary Point(s) of Delivery and from secondary Point(s) of Delivery equally if the point of constraint is within the Primary Path of the Transportation service using the secondary Point(s) of Delivery, and service to other Point(s) of Delivery in the order specified in Section 8.8(b)(3) through (5).

(d) Subject to Section 8.2(b), scheduled service only can be displaced by a shipper moving to its primary point(s) of receipt or delivery or by an event of Force Majeure.

8.9 Section 9.7 describes scheduling provisions during curtailment.

GENERAL TERMS AND CONDITIONS
(Continued)

9. CURTAILMENT AND INTERRUPTION

9.1 Panhandle shall have the unqualified right to interrupt Transportation Services or Storage Services or Gas Parking Service or all such services at any time under Panhandle's interruptible Rate Schedules to provide service under Panhandle's firm Rate Schedules. Gas Parking Service will be interrupted first and then interruptible services shall be interrupted in sequence, starting with interruptible service charged the rate least proximate to the applicable maximum rate. Within each rate category of interruptible service, service shall be interrupted in sequence, starting with the service most recently requested and, if necessary, pro-rata by request date.

9.2 Panhandle shall have the right to curtail or discontinue Transportation Services or Storage Services or Gas Parking Service or all such services, in whole or in part on all or a portion of its system at any time for reasons of Force Majeure or when in Panhandle's sole judgment, capacity or operating conditions so require or it is desirable or necessary to make modifications, repairs or operating changes to its system. Panhandle shall provide Shipper such notice of the curtailment as is reasonable under the circumstances.

9.3 In the event of curtailment pursuant to Section 9.2 above, Gas Parking Service shall be curtailed first and then interruptible services shall be curtailed in sequence, starting with interruptible service charged the rate least proximate to the applicable Maximum Rate. Within each rate category of interruptible service, service shall be curtailed in sequence, starting with the service most recently requested and, if necessary, pro-rata by request date. For any condition requiring curtailment at or west of Panhandle's Haven, Kansas Compressor Station, Panhandle shall curtail firm services in the following order (1) service from secondary Point(s) of Receipt outside the Primary Path, (2) service from secondary Point(s) of Receipt within the Primary Path and (3) service from Primary Point(s) of Receipt. For any condition requiring curtailment east of Panhandle's Haven, Kansas Compressor Station, Panhandle shall curtail firm services in the following order (1) service from secondary Point(s) of Delivery outside the Primary Path, (2) service from secondary Point(s) of Delivery within the Primary Path and (3) service from Primary Point(s) of Delivery. Within each category of firm service curtailment shall be on a pro-rata basis based on scheduled Quantities of Gas regardless of rates or request date.

GENERAL TERMS AND CONDITIONS
(Continued)

9.4 When in Panhandle's judgment Panhandle will be unable to satisfy all scheduled deliveries on any portion of its system due to the failure of Shippers to deliver or cause to be delivered scheduled receipts, Panhandle may reduce, in whole or in part, deliveries to Shippers with receipts scheduled on any portion of Panhandle's system showing deficient receipts, in the order specified in Section 9.3 hereof, subject to the following conditions:

(a) Notice, pursuant to Section 9.6 hereof, shall be given to the affected Shippers that deliveries must be reduced within a time that is reasonable under the then existing conditions.

(b) Shippers who are able to confirm their receipts to Panhandle within the time set out in such notice shall be permitted to maintain their service. Confirmation shall mean that Panhandle is able, in good faith, to determine that the Shipper's Natural Gas is being received, or Shipper has provided a notarized affidavit by an officer or representative empowered to bind Shipper that, based on personal knowledge formed after diligent investigation, the scheduled quantities (or stated lesser quantities) are being delivered to Panhandle at the Point(s) of Receipt nominated by Shipper for the applicable Service Agreement(s).

(c) If Shipper is unable to provide confirmation within the time set out in the notice, deliveries to Shipper shall be resumed when such confirmation is provided or when the curtailment ceases.

(d) If Shipper's affidavit is in fact false, then in addition to any remedies available to Panhandle at law, Shipper shall be deemed in violation of Panhandle's curtailment order and the provisions of Section 9.5 shall apply.

9.5 Curtailment Compliance

(a) Without regard to any other remedy provided by law or by the provisions hereof, Panhandle shall be entitled to seek an order from the Commission or any other appropriate tribunal requiring compliance with curtailment or interruption ordered by Panhandle in compliance with this Section 9 or any directive from any governmental authority having jurisdiction in the premises.

(b) All volumes received and/or taken in violation of Panhandle's curtailment or interruption orders shall constitute unauthorized receipts or deliveries of Gas for which a charge of $10.00 per Dt. or two times the Mid-Continent Spot Price calculated in accordance with Section 12.11(c), whichever is greater, shall be assessed in addition to any other applicable rate, charge or penalty. Such charge shall be applicable to all such unauthorized receipts and deliveries following notification of curtailment or interruption pursuant to Section 9.6, below, which may be given by telephone, confirmed by facsimile transmission or any other reasonable means.

9.6 Situation Reports, Notices and Indemnification

(a) Panhandle shall provide Shipper with notice of curtailment or interruption at a time and in a manner that is reasonable under then existing conditions, and shall in any event confirm in writing or by facsimile transmission the notice given if originally provided telephonically. Each Shipper and point operator shall designate one or more persons for Panhandle to contact on operational matters on a 24-hour a day, 365 days a year basis. Telephone and facsimile numbers as well as e-mail address must be provided for such person or persons. If Panhandle is unable to contact any Shipper or point operator because that

Shipper's or point operator's contact person(s) is unavailable, such Shipper or point operator shall be responsible for any consequences arising from such failure of communications.

(b) Shipper shall have the responsibility to inform its end-users, suppliers, other transporters and all others involved in the transaction, as to any curtailment or interruption.

(c) Shipper shall indemnify Panhandle against and hold Panhandle harmless from any and all damages, claims, suits, actions or proceedings whatsoever threatened or initiated as a result of any curtailment or interruption invoked by Panhandle; which shall include any curtailment or interruptions described in any part of this Section 9. Shipper shall not be required to indemnify Panhandle as stated above to the extent that the curtailment or interruption is a result of Panhandle's negligence, bad faith, fault or willful misconduct.

9.7 Scheduling During Curtailment

During curtailment, the scheduling provisions of Section 8.8(a) and (b) shall apply when the point of constraint is at a Point of Receipt or Delivery. When the constraint is located at other than a Point of Receipt or Delivery, the scheduling provisions of Section 8.8(c) shall apply.

GENERAL TERMS AND CONDITIONS
(Continued)

10. POINTS OF RECEIPT

10.1 A Shipper may designate any Point of Receipt for Gas to be transported or stored under a firm Rate Schedule. Each Point of Receipt shall be identified in the Service Agreement as either a primary or secondary firm Point of Receipt. The sum of the Quantities of Gas from all primary firm Points of Receipt, adjusted for Fuel Reimbursement, specified in the Service Agreement may not exceed the firm Maximum Daily Contract Quantity stated in the Service Agreement. Shipper may designate specific Points of Receipt and/or the Points of Receipt on Panhandle's Master Receipt Point List (MRPL) as secondary Points of Receipt. The Quantity of Gas available at each secondary firm Point of Receipt shall equal the sum of the Quantities of Gas assigned to the primary firm Points of Receipt in the same rate zone or, in the Market Zone, the same mileage segment of the Market Zone and upstream thereof. In addition, a Shipper may segment, to the extent operationally feasible, its Primary Path into two (2) or more discrete segments for its own use or in connection with a capacity release pursuant to Section 15 of these General Terms and Conditions.

10.2 A Shipper may nominate, subject to the provisions of Sections 4, 8, 9 and 12 herein, Quantities of Gas to be transported under a firm Rate Schedule from any Point of Receipt identified in the Service Agreement up to the Quantity of Gas assigned to such Point of Receipt in the Service Agreement.

(a) If the Shipper's Service Agreement has not been released pursuant to Section 15 of these General Terms and Conditions, the sum of the Quantities of Gas nominated by the Shipper from any secondary firm Point(s) of Receipt, together with the sum of the Quantities of Gas nominated from a primary firm Point(s) of Receipt, adjusted for Fuel Reimbursement, shall not exceed the Maximum Daily Contract Quantity specified in the Shipper's Service Agreement; provided, however, if the Shipper utilizes two (2) or more discrete pipeline segments, the sum of the Quantities of Gas nominated by the Shipper from all Point(s) of Receipt may exceed the Maximum Daily Contract Quantity specified in the Service Agreement so long as the Quantities nominated for transportation in a pipeline segment do not exceed the Maximum Daily Contract Quantity applicable to such segment. The Shipper may segment its Primary Path to forwardhaul and backhaul Quantities of Gas to the same Point of Receipt. In such a segmented transaction, the Shipper may exceed its Maximum Daily Contract Quantity at that Point of Receipt and the Shipper may nominate Quantities of Gas

GENERAL TERMS AND CONDITIONS
(Continued)

in each segment up to the Shipper's Maximum Daily Contract Quantity assigned to such segment; provided, however, the Quantities nominated to flow in the opposite direction of the flow in the Primary Path shall be considered to be outside the Shipper's Primary Path for scheduling purposes.

(b) If the Shipper's Service Agreement has been released in part to a Replacement Shipper pursuant to Section 15 of these General Terms and Conditions:

GENERAL TERMS AND CONDITIONS
(Continued)

(i) the sum of the Quantities of Gas nominated by the Replacement Shipper from any secondary firm Point(s) of Receipt, together with the sum of the Quantities of Gas nominated from primary firm Point(s) of Receipt, adjusted for Fuel Reimbursement, shall not exceed the Maximum Daily Contract Quantity in the Replacement Shipper's Service Agreement; provided, however, if the Replacement Shipper utilizes two (2) or more discrete pipeline segments, the sum of the Quantities of Gas nominated by the Replacement Shipper from all Point(s) of Receipt may exceed the Maximum Daily Contract Quantity specified in the Service Agreement so long as the Quantities nominated for transportation in a pipeline segment do not exceed the Maximum Daily Contract Quantity applicable to such segment; and

(ii) the sum of the Quantities of Gas nominated by the Releasing Shipper from any secondary firm Point(s) of Receipt, together with the sum of the Quantities of Gas nominated from primary firm Point(s) of Receipt, adjusted for Fuel Reimbursement, shall not exceed the Maximum Daily Contract Quantity not relrased in the Releasing Shipper's Service Agreement; provided, however, that where a Releasing Shipper releases a segment or segments of its service rights, the Releasing Shipper may nominate for Transportation on any Day, up to the Maximum Daily Contract Quantity not released in its Service Agreement applicable to any segment wherein it has retained service rights.

(iii) A Releasing Shipper and/or a Replacement Shipper may segment its Primary Path to forwardhaul and backhaul Quantities of Gas to the same Point of Receipt. In such a segmented transaction, the Shipper may exceed its Maximum Daily Contract Quantity at that Point of Receipt and the Shipper may nominate Quantities of Gas in each segment up to the Shipper's Maximum Daily Contract Quantity for such segment; provided, however, the Quantities nominated to flow in the opposite direction of the flow in the Primary Path shall be considered to be outside the Shipper's Primary Path for scheduling purposes.

(iv) If the Releasing Shipper and the Replacement Shipper nominate Quantities of Gas in segments that overlap, the Quantities shall be scheduled in accordance with Section 8.8 of these General Terms

GENERAL TERMS AND CONDITIONS
(Continued)

and Conditions. If the Quantities have equal priority and the sum of the Quantities cannot be scheduled, the Quantities shall be scheduled pro-rata unless the Releasing Shipper specifies otherwise in its release notice.

(c) If the Shipper's Service Agreement has been released entirely to a Replacement Shipper pursuant to Section 15 of these General Terms and Conditions, the Replacement Shipper may nominate Quantities at Point(s) of Receipt to the same extent the Releasing Shipper could have if the Service Agreement had not been released.

(d) If a Shipper nominates Quantities of Gas for transportation from a secondary firm Point(s) of Receipt, Shipper shall retain its priority at the primary firm Point(s) of Receipt designated in the

Service Agreement and may nominate from the primary firm Point(s) of Receipt at any time, subject to the provisions of Sections 8 and 9 of these General Terms and Conditions.

10.3(a) The reservation components under Rate Schedules FT, EFT, LFT and HFT shall be computed using the Quantities of Gas assigned to the primary firm Point(s) of Receipt in the Service Agreement except as provided in Sections 10.3(b) or 10.3(c). Subject to the provisions of Section 10.5 hereof, the reservation components shall be pro-rated to adjust for changes during the Month for the Point(s) of Receipt designated in the Service Agreement or the Quantities assigned thereto.

(b) The Quantities of Gas assigned to a secondary firm Point(s) of Receipt shall serve to increase the reservation components to reflect the additional rate zones or mileage segments associated with such Quantities if: (1) the Quantity nominated and scheduled to a secondary firm Point(s) of Receipt located on Panhandle's Gathering facilities exceeds the Maximum Daily Contract Quantity assigned to all primary firm Points of Receipt on such Gathering facilities; or (2) the Quantity nominated and scheduled to a secondary firm Point(s) of Receipt located in the Field Zone exceeds the Maximum Daily Contract Quantity assigned to all primary firm Points of Receipt located in the Field Zone and upstream thereof; or (3) the Quantity nominated and scheduled to a secondary firm Point(s) of Receipt in the Market Zone exceeds the Maximum Daily Contract Quantity assigned to all primary firm Points of Receipt located in the same mileage segment of the Market Zone and upstream thereof.

(c) A Shipper with a primary firm Point of Receipt located in the Field Zone may assign Quantities of Gas to be transported under a firm Rate Schedule from a secondary firm Point(s) of Receipt located on Panhandle's Gathering facilities up to the Maximum Daily Contract Quantity assigned to the Field Zone without affecting the computation of the Gathering reservation component, notwithstanding the provisions of Section 10.3(b).

10.4 If a Shipper has executed a Transportation Agreement for firm service designating a primary firm Point of Receipt in the Field Zone and Point of Delivery in the Market Zone, the Shipper may designate a Pool Point as an alternative firm Point of Receipt for Quantities not in excess of the Maximum Daily Contract Quantity assigned to Point(s) of Receipt located in the Field Zone. If the Shipper designates a Pool Point as an alternative firm Point of Receipt, the Shipper is not required to reduce the Maximum Daily Contract Quantity applicable to Point(s) of Receipt located in the Field Zone, but the Shipper may not nominate or have transported Quantities of Gas in excess of the Maximum Daily Contract Quantity at such Point(s) of Receipt. Shipper's nomination of Quantities at the Pool Point does not relieve the Shipper of its obligation to pay the reservation charges applicable to service from Point(s) of Receipt located in the Field Zone.

10.5(a) Subject to Section 7.4 and the availability of capacity, Shipper may submit a request to change any firm primary Point of Receipt or to modify the Quantity of Gas assigned to any firm primary Point of Receipt upon prior written notice to Panhandle. Panhandle will respond to the notice as soon as possible but in no event later than two (2) Business Days following receipt of the notice. Such request may be submitted twice in any thirty (30) Day period.

(b) A Shipper may submit a request to change any secondary firm Point of Receipt at any time. The Quantity of Gas assigned to any secondary firm Point of Receipt shall be in accordance with Section 10.1 herein. Panhandle shall tender a revised contract within one (1) Business Day of receipt of such request.

(c) A Shipper may designate a secondary Point(s) of Receipt upstream of both its primary Point of Receipt within a 100-mile segment and upstream of the 100-mile segment or zone within which the primary Point of Receipt is located.

GENERAL TERMS AND CONDITIONS
(Continued)

(d) A Shipper may change its primary Point(s) of Receipt to points upstream of both its existing primary Point of Receipt within a 100-mile segment and upstream of the 100-mile segment or zone within which the primary Point of Receipt is located.

(e) Panhandle will grant requests to change primary points if capacity is available. Panhandle will grant requests to change secondary points in accordance with Section 10.5(b).

10.6 Upon agreement by operator and Panhandle, multiple measuring stations belonging to a single operator may constitute a single Point of Receipt.

10.7 Shippers under Rate Schedule FT, EFT, SCT, IT, EIT, LFT, HFT or GPS which designate and utilize a Pool Point as a Point of Receipt shall be subject to the terms and conditions of Section 14 herein.

GENERAL TERMS AND CONDITIONS
(Continued)

11. POINTS OF DELIVERY

11.1 A Point of Delivery shall be equipped with a Flow Control Device if service at the Point of Delivery is provided under Rate Schedule FT, HFT or IT.

11.2 A Shipper may designate any Point of Delivery for Gas to be delivered under a particular Transportation Rate Schedule. Each Point of Delivery for firm service shall be identified in the Service Agreement as either primary firm Point(s) of Delivery or secondary firm Point(s) of Delivery. The sum of the Quantities of Gas of all primary firm Point(s) of Delivery specified in the Transportation Agreement may not exceed the firm Maximum Daily Contract Quantity stated in the Transportation Agreement. Shipper may designate specific Points of Delivery and/or the Points of Delivery on Panhandle's Master Delivery Point List (MDPL) as secondary Points of Delivery. The Quantity of Gas available at each secondary firm Point of Delivery shall equal the sum of the Quantities of Gas assigned to the primary firm Points of Delivery in the same rate zone or, in the Market Zone, the same mileage segment of the Market Zone or upstream portion thereof. In addition, a Shipper may segment, to the extent operationally feasible, its Primary Path into two (2) or more discrete segments for its own use or in connection with a capacity release pursuant to Section 15 of these General Terms and Conditions.

11.3 Subject to the conditions of the Rate Schedule under which Shipper is receiving service, Shipper may have multiple primary and secondary Points of Delivery.

11.4 Upon agreement by operator and Panhandle, multiple measuring stations belonging to a single operator may constitute a single Point of Delivery.

11.5 Subject to the conditions of the Rate Schedule under which Shipper is receiving service and the provisions of Sections 4, 8, 9 and 10 herein, Shipper may nominate Quantities of Gas to be delivered to any Point of Delivery identified in the Transportation Agreement, up to the Quantity of Gas assigned to such Point of Delivery in the Transportation Agreement.

(a) If the Shipper's Service Agreement has not been released in whole or in part pursuant to Section 15 of these General Terms and Conditions, the sum of the

GENERAL TERMS AND CONDITIONS
(Continued)

Quantities of Gas nominated by the Shipper to any secondary firm Point(s) of Delivery, together with the sum of the Quantities of Gas nominated to a primary firm Point(s) of Delivery shall not exceed the Maximum Daily Contract Quantity specified in the Shipper's Service Agreement for service under any Rate Schedule; provided, however, if the Shipper utilizes two (2) or more discrete pipeline segments, the sum of the Quantities of Gas nominated by the Shipper to all Point(s) of Delivery may exceed the Maximum Daily Contract Quantity specified in the Service Agreement so long as the Quantities nominated for transportation in a pipeline segment do not exceed the Maximum Daily Contract Quantity applicable to such segment. A Shipper may segment its Primary Path to forwardhaul and backhaul Quantities of Gas to the same Point of Delivery. In such a segmented transaction, the Shipper may exceed its Maximum Daily Contract Quantity at that Point of Delivery and the Shipper may nominate Quantities of Gas in each segment up to the Shipper's Maximum Daily Contract Quantity assigned to such segment; provided, however, the Quantities nominated to flow in the opposite direction of the flow in the Primary Path shall be considered to be outside the Shipper's Primary Path for scheduling purposes.

(b) If the Shipper's Service Agreement has been released in part pursuant to Section 15 of these General Terms and Conditions:

(i) the sum of the Quantities of Gas nominated by the Replacement Shipper to any secondary firm Point(s) of Delivery, together with the sum of the Quantities of Gas nominated to primary firm Point(s) of Delivery, shall not exceed the Maximum Daily Contract Quantity in the Replacement Shipper's Service Agreement; provided, however, if the Replacement Shipper utilizes two (2) or more discrete pipeline segments, the sum of the Quantities of Gas nominated by the Replacement Shipper to all Point(s) of Delivery may exceed the Maximum Daily Contract Quantity specified in the Service Agreement so long as the Quantities nominated for transportation in a pipeline segment do not exceed the Maximum Daily Contract Quantity applicable to such segment; and

GENERAL TERMS AND CONDITIONS
(Continued)

(ii) the sum of the Quantities of Gas nominated by the Releasing Shipper to any secondary firm Point(s) of Delivery, together with the sum of the Quantities of Gas nominated to primary firm Point(s) of Delivery, shall not exceed the Maximum Daily Contract Quantity not released in the Releasing Shipper's Service Agreement; provided, however, that where a Releasing Shipper releases a segment or segments of its service rights, the Releasing Shipper may nominate for Transportation on any Day, up to the Maximum Daily Contract Quantity not released in its Service Agreement applicable to any segment wherein it has retained service rights.

(iii) A Releasing Shipper and/or a Replacement Shipper may segment its Primary Path to forwardhaul and backhaul Quantities of Gas to the same Point of Delivery. In such a segmented transaction, the Shipper may exceed its Maximum Daily Contract Quantity at that Point of Delivery and the Shipper may nominate Quantities of Gas in each segment up to the Shipper's Maximum Daily Contract Quantity assigned to such segment; provided, however, the Quantities nominated to flow in the opposite direction of the flow in the Primary Path shall be considered to be outside the Shipper's Primary Path for scheduling purposes.

(iv) If the Releasing Shipper and the Replacement Shipper nominate Quantities of Gas in segments that overlap, the Quantities shall be scheduled in accordance with Section 8.8 of these General Terms and Conditions. If the Quantities have equal priority and the sum of the Quantities cannot be scheduled, the Quantities shall be scheduled pro-rata unless the Releasing Shipper specifies otherwise in its release notice.

(c) If the Shipper's Service Agreement has been released entirely to a Replacement Shipper pursuant to Section 15 of these General Terms and Conditions, the Replacement Shipper may nominate Quantities at Point(s) of Delivery to the same extent the Releasing Shipper could have if the Service Agreement had not been released.

(d) If a Shipper nominates Quantities of Gas for Transportation to a secondary firm Point(s) of Delivery, Shipper shall retain its priority at the primary firm Point(s) of Delivery designated in the Transportation Agreement and may nominate from the primary firm Point(s) of Delivery, subject to the provisions of Sections 8 and 9 of these General Terms and Conditions.

11.6(a) The reservation components applicable to Shippers under Rate Schedules FT, EFT, LFT and HFT shall be computed using the Quantities of Gas assigned to the primary firm Point(s) of Delivery in the Service Agreement except as provided in Section 11.6(b). Subject to the provisions of Section 11.9 hereof, the reservation components shall be pro-rated to adjust for changes during the Month in the Point(s) of Delivery designated in the Service Agreement or the Quantities assigned thereto.

(b) Quantities of Gas assigned to a secondary firm Point(s) of Delivery shall serve to increase the reservation components to reflect the additional rate zones or mileage segments associated with such Quantities if: (1) the Quantity nominated and scheduled to a secondary firm Point(s) of Delivery located on Panhandle's Gathering Facilities exceeds the Maximum Daily Contract Quantity assigned to all primary firm Points of Delivery on such Gathering facilities and downstream thereof; or (2) the Quantity nominated and scheduled to a secondary firm Point(s) of Delivery located in the Field Zone exceeds the Maximum Daily Contract Quantity assigned to all primary firm Points of Delivery located in the Field Zone and downstream thereof; or (3) the Quantity nominated and scheduled to a secondary firm Point(s) of Delivery in the Market Zone exceeds the Maximum Daily Contract Quantity assigned to all primary firm Points of Delivery located in the same mileage segment of the Market Zone and downstream thereof.

11.7 A secondary firm Point of Delivery is not eligible for service under Rate Schedule GDS.

11.8 Shippers under Rate Schedule FT, EFT, IT, EIT, LFT or GPS which designate and utilize a Pool Point as a Point of Delivery shall be subject to the terms and conditions of Section 14 herein.

11.9(a) Subject to the availability of capacity and the provisions of Section 7.4, Shipper may submit a request to change a primary firm Point of Delivery or to modify the Quantity of Gas assigned to any firm primary Point of Delivery upon prior written notice to Panhandle. Panhandle will respond to the notice as soon as possible but in no event later than two (2) Business Days following receipt of the notice. Such a request may be submitted twice in any thirty (30) Day period. A change in the primary firm Point(s) of Delivery or modification in the Quantity of Gas at the primary firm Point of Delivery pursuant to this Section shall not be made so as to reduce the reservation charges applicable under the Service Agreement. A Shipper may add a primary Point(s) of Delivery that is not between the Point(s) of Receipt and Point(s) of Delivery specified in the Service Agreement and may increase the Maximum Daily Contract Quantity at any primary Point of Delivery over and above the prevailing Quantities under the Service Agreement pursuant to Section 7.

(b) A Shipper may submit a request to change any secondary firm Point(s) of Delivery at any time. The Quantity of Gas assigned to any secondary firm Point of Delivery shall be in accordance with Section 11.2 herein. Panhandle shall tender a revised contract within one (1) Business Day of receipt of such request.

(c) A change to a primary firm Point of Delivery located at a Pool Point shall not be permitted if it results in firm delivery capacity in excess of firm receipt capacity at any such Pool Point.

(d) A Shipper may designate a secondary Point(s) of Delivery downstream of both its primary Point of Delivery within a 100-mile segment and downstream of the 100-mile segment or zone within which the primary Point of Delivery is located.

(e) A Shipper may change its primary Point(s) of Delivery to points downstream of both its existing primary Point of Delivery within a 100-mile segment and downstream of the 100-mile segment or zone within which the primary Point of Delivery is located.

(f) Panhandle will grant requests to change primary points if capacity is available. Panhandle will grant requests to change secondary points in accordance with Section 11.9(b).

GENERAL TERMS AND CONDITIONS
(Continued)

12. CONDITIONS OF RECEIPT AND DELIVERY

Deliveries of Gas by Panhandle to, or for the account of, any Shipper are absolutely dependent upon confirmed receipts of Gas, scheduled for delivery or provided for under Rate Schedule GDS. Panhandle shall, in no circumstances, be obligated to deliver any Quantities of Gas for which the Thermal Equivalent, adjusted for Fuel Reimbursement, has not been received by Panhandle for service under any Service Agreement.

12.1 Panhandle and Shipper, by mutual agreement, shall establish the date of commencement of receipt and delivery of Gas hereunder.

12.2 Receipts and deliveries of Gas hereunder shall be at uniform hourly rates of flow unless otherwise provided pursuant to the Rate Schedule under which Shipper is receiving service. If the Quantities of Gas received and delivered are not in balance on any particular Day such imbalance shall be corrected by Shipper as promptly as is reasonably consistent with operating conditions.

12.3 Unless otherwise agreed to in writing by Panhandle and Shipper, deliveries of Gas at a Point of Delivery shall be at such pressure as may exist in Panhandle's pipeline at such point from time to time.

12.4 Deliveries of Gas at the Point of Receipt shall be at a pressure sufficient to enter Panhandle's pipeline system at such point.

12.5 Shipper shall be responsible for upstream and downstream Transportation and Storage arrangements. To the extent Shipper's upstream or downstream transporters do not deliver or receive Gas for any reason, Panhandle shall not be obligated to receive or deliver Gas.

12.6 If a Shipper is unable to accept Quantities of Gas tendered at the Point(s) of Delivery on any Day, then Panhandle shall not be obligated to receive Gas at the Point(s) of Receipt on such Day.

GENERAL TERMS AND CONDITIONS
(Continued)

12.7 Should Shipper be unable to provide Quantities of Gas scheduled at the Point(s) of Receipt on any Day, then Panhandle shall not be obligated to deliver Gas at the Point(s) of Delivery on such Day.

12.8 Panhandle shall have the unqualified right to commingle Gas transported hereunder with Gas from other sources, and to treat and handle all such Gas as its own. Unless Shipper or Shipper's designee elects to exercise its rights to process Gas for removal of moisture, helium, natural gasoline, butane, propane, or other liquefiables or inerts and has made arrangements for such processing at an existing point on Panhandle's system, Panhandle will have the unqualified right to process such gas for the purpose of removing such moisture, helium, natural gasoline, butane, propane, or other liquefiables or inerts, and the ownership of such moisture, helium, natural gasoline, butane, propane, or other liquefiables or inerts, shall be vested in Panhandle. Panhandle must be advised prior to January 1 and July 1 of each year by Shipper or Shipper's designee for the following six (6) months of Shipper's or Shipper's designee's exercise of their right to process Gas for removal of such moisture, helium, natural gasoline, butane, propane, or other liquefiables or inerts and of the arrangements made therefor. It is recognized that Gas delivered at a Point of Delivery may not be the same molecules as those received at any Point of Receipt, and that Panhandle's sole obligation is to deliver the Thermal Equivalent of Quantities of Gas received, adjusted for Fuel Reimbursement.

12.9 Shipper shall have the responsibility to maintain a concurrent balance between Quantities of Gas received, adjusted for appropriate Fuel Reimbursement, and Quantities of Gas delivered, based on the best information available to Shipper. Panhandle shall make available to Shipper information regarding daily receipts and daily deliveries based on the best operating information (hereinafter called Operating Data) available

to Panhandle and shall make such information available to all parties to the transaction. Panhandle shall make Operating Data available in the Messenger system, within one Business Day following the conclusion of the production Day for meters equipped with EGM or the availability of chart measurement for meters not so equipped.

12.10 Allocation of Deliveries

Quantities of Gas delivered at any Point of Delivery on any Day shall be allocated first to nominated and scheduled WS, IWS, PS and FS Storage. After all nominated Storage has been accounted for, all Transportation Agreements shall be allocated pursuant to the allocation methodology as described in Section 8.5(a).

12.11 Balancing Charges

If Shipper does not maintain a concurrent balance between Quantities of Gas received, adjusted for Fuel Reimbursement, and Quantities of Gas delivered, the following charges shall apply to imbalances in such Quantities.

(a) Firm Service Monthly Contract Balancing

For the purposes of this Section 12.11(a), Maximum Accumulated Imbalance Quantity (MAIQ) shall be established as the product of 1.5 times the Maximum Daily Contract Quantity (MDCQ) under a firm Transportation Agreement or 1,000 Dt., whichever is greater.

Each Month, Panhandle shall determine for each Shipper receiving service under Rate Schedule FT, EFT, SCT, GDS, LFT or HFT the Shipper's imbalance based on the Quantities of Gas received and delivered in the prior Month after minimizing the imbalances in accordance with Section 12.11(d) of these General Terms and Conditions. The resulting excess receipts and deliveries shall be handled as follows:

GENERAL TERMS AND CONDITIONS
(Continued)

(1) Excess Receipts

When actual receipts, adjusted for Fuel Reimbursement, exceed actual deliveries, the excess shall be applied to any prior accumulated imbalance due Panhandle first. If receipts still exceed deliveries, then an imbalance due Shipper shall be carried without charge up to the MAIQ. Any imbalance in excess of the MAIQ shall be sold by Shipper to Panhandle according to the following schedule:

Percentage Imbalance Level in Excess of MAIQ	Sales Price
0% - 5%	.9 x Mid-Continent Spot Price
> 5% - 10%	.8 x Mid-Continent Spot Price
>10% - 15%	.7 x Mid-Continent Spot Price
>15% - 20%	.6 x Mid-Continent Spot Price
>20%	.5 x Mid-Continent Spot Price

The percentage imbalance level shall be calculated by dividing the imbalance in excess of MAIQ by the actual Quantity of Gas received during the Month unless the percentage imbalance level would be lower if calculated using operating data provided pursuant to Section 12.9 of these General Terms and Conditions, in which case the percentage imbalance level shall be calculated using such operating data.

(2) Excess Deliveries

When actual deliveries exceed actual receipts, adjusted for Fuel Reimbursement, the excess shall be applied to any prior accumulated imbalance due Shipper first. If deliveries still exceed receipts, then an imbalance due Panhandle shall be carried without charge up to the MAIQ. Any imbalance in excess of the MAIQ shall be purchased by Shipper from Panhandle according to the following schedule:

GENERAL TERMS AND CONDITIONS
(Continued)

Percentage Imbalance Level in Excess of MAIQ	Purchase Price
0% - 5%	1.1 x Mid-Continent Spot Price
> 5% - 10%	1.2 x Mid-Continent Spot Price
>10% - 15%	1.3 x Mid-Continent Spot Price
>15% - 20%	1.4 x Mid-Continent Spot Price
>20%	1.5 x Mid-Continent Spot Price

The percentage imbalance level shall be calculated by dividing the imbalance in excess of MAIQ by the actual Quantity of Gas delivered during the Month unless the percentage imbalance level would be lower if calculated using operating data provided pursuant to Section 12.9 of these General Terms and Conditions, in which case the percentage imbalance level shall be calculated using such operating data.

(b) Interruptible Service Monthly Contract Balancing

For the purposes of this Section 12.11(b), the Maximum Monthly Imbalance Quantity (MMIQ) shall be established as the product of .05 times the actual volumes delivered under an interruptible Transportation Agreement for the Month, or 1,000 Dt., whichever is greater.

Each Month, Panhandle shall determine for each Shipper receiving service under Rate Schedules IT or EIT the Shipper's imbalance based on the Quantities of Gas received and delivered in the prior Month after minimizing the imbalances in accordance with Section 12.11(d) of these General Terms and Conditions. The resulting excess receipts and deliveries shall be handled as follows:

GENERAL TERMS AND CONDITIONS
(Continued)

(1) Excess Receipts

When actual receipts, adjusted for Fuel Reimbursement exceed actual deliveries, an imbalance due Shipper shall be carried without charge up to the MMIQ. Any imbalance in excess of the MMIQ shall be sold by Shipper to Panhandle according to the following schedule:

Percentage Imbalance Level in Excess of MMIQ	Sales Price
0% - 5%	.9 x Mid-Continent Spot Price
> 5% - 10%	.8 x Mid-Continent Spot Price
>10% - 15%	.7 x Mid-Continent Spot Price
>15% - 20%	.6 x Mid-Continent Spot Price
>20%	.5 x Mid-Continent Spot Price

The percentage imbalance level shall be calculated by dividing the imbalance in excess of MMIQ by the actual quantity of gas received unless the percentage imbalance level would be lower if calculated using operating data provided pursuant to Section 12.9 of these General Terms and Conditions, in which case the percentage imbalance level shall be calculated using such operating data. Any IT or EIT excess receipts up to the MMIQ must be nominated and scheduled to be transported during the next Month. Any portion of the MMIQ existing at the end of a Month which has not been nominated and scheduled to be made up during the next Month shall be sold by Shipper to Panhandle at the 0-5% Percentage Imbalance Level in Excess of MMIQ.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) Excess Deliveries

When actual deliveries exceed actual receipts, adjusted for Fuel Reimbursement, an imbalance due Panhandle shall be carried without charge up to the MMIQ. Any imbalance in excess of the MMIQ shall be purchased by Shipper from Panhandle according to the following schedule:

Percentage Imbalance Level in Excess of MMIQ	Purchase Price
0% - 5%	1.1 x Mid-Continent Spot Price
> 5% - 10%	1.2 x Mid-Continent Spot Price
>10% - 15%	1.3 x Mid-Continent Spot Price
>15% - 20%	1.4 x Mid-Continent Spot Price
>20%	1.5 x Mid-Continent Spot Price

The percentage imbalance level shall be calculated by dividing the imbalance in excess of MMIQ by the actual quantity of gas delivered unless the percentage imbalance level would be lower if calculated using operating data provided pursuant to Section 12.9 of these General Terms and Conditions, in which case the percentage imbalance level shall be calculated using such operating data. Any IT or EIT excess deliveries up to the MMIQ must be nominated and scheduled to be received by Panhandle from Shipper during the next Month. Any portion of the MMIQ existing at the end of a Month which has not been nominated and scheduled to be made up during the next Month shall be purchased by Shipper from Panhandle at the 0-5% Percentage Imbalance Level in Excess of MMIQ.

(c) Mid-Continent Spot Price Calculation

For sales of excess receipts under Sections 12.11(a)(1) and 12.11(b)(1) herein and purchases of excess deliveries under Sections 12.11(a)(2) and 12.11(b)(2), the Mid-Continent Spot Price shall be the average of the Midcontinent, Panhandle Spot Price for Gas delivered to Panhandle from the table "NGW's Monthly Weighted Averages" for deliveries during the applicable Month in which the imbalance occurred contained in the first issue of NATURAL GAS WEEK published the following month. If the reported price referenced above is not published for the Month required, Panhandle shall determine the Mid-Continent Spot Price using another publication that publishes the spot price for Gas.

(d) Minimization of Imbalances for Transportation Agreements

(1) Contract Imbalance Netting

In order to minimize the quantity of excess receipts pursuant to Sections 12.11(a)(1) and 12.11(b)(1), above and excess deliveries pursuant to Sections 12.11(a)(2) and 12.11(b)(2), above, all of a Shipper's firm and interruptible Transportation Agreements shall be matched by Point(s) of Receipt and Point(s) of Delivery. The total quantity of Gas received and delivered under the Shipper's Transportation Agreements within the same Operational Impact Area, as defined in Section 12.11(d)(3) below, shall be netted and excess receipts or excess deliveries shall be determined only after such netting. Such netting of contract imbalances does not relieve the Shipper of the obligation to pay all applicable transportation charges for the Quantity of Gas actually delivered to Shipper during the Month.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) Contract Imbalance Trading

(i) Shipper may authorize contract imbalances under Shipper's Transportation Service Agreements within the same Operational Impact Area, as defined in Section 12.11(d)(3), to be posted for trading after the Shipper has minimized excess receipts and deliveries pursuant to Section 12.11(d)(1) above.

(ii) Authorizations to post imbalances that are received by Panhandle by 11:45 a.m. shall be effective by 8:00 a.m. the next Business Day (Central Clock Time). Imbalances authorized for posting shall be posted on or before the ninth (9th) Business Day of the Month.

(iii) Panhandle shall provide the ability to post and trade imbalances until at least the close of the seventeenth (17th) Business Day of the Month.

(iv) Shippers may trade contract imbalances with other Shippers having Transportation Agreements within the same Operational Impact Area, as defined in Section 12.11(d)(3) below. Contract imbalances must be traded with contract imbalances in the opposite direction and must move Shipper's imbalance closer to zero. When trading imbalances, a Quantity must be specified.

(v) Panhandle shall enable the imbalance trading process by:
. Receiving the request for imbalance trade;
. Receiving the imbalance trade confirmation;
. Sending the imbalance trade notification; and
. Reflecting the trade prior to or on the next monthly Shipper imbalance or cashout.

(vi) Imbalance trades can only be withdrawn by the initiating Shipper and only prior to the confirming Shipper's confirmation of the trade. Imbalance trades are considered final when confirmed by the confirming Shipper and effectuated by Panhandle. Imbalance trades

shall be deemed to be effectuated by Panhandle when Panhandle sends the imbalance trade notification.

(vii) After receipt of an imbalance trade confirmation, Panhandle shall send the imbalance trade notification to the initiating Shipper and the confirming Shipper no later than noon (Central Time) on the next Business Day.

(3) Operational Impact Area

For purposes of this Section 12.11(d), two or more Transportation Agreements shall be deemed to be within the same Operational Impact Area only if the Transportation Agreements provide for the Transportation of Natural Gas solely within the Field Zone; or if the Transportation Agreements provide for either the receipt or delivery of Natural Gas within the Market Zone.

GENERAL TERMS AND CONDITIONS
(Continued)

(e) All sales and purchases of excess receipts and excess deliveries pursuant to this Section 12 shall be deemed to take place on the first Day of the Month following the accumulation of the applicable imbalance. Settlement of accounts for such sales and purchases shall be made with the Monthly bill, for the Month in which the applicable imbalance accumulated. Settlements of sales and purchases shall be in the form of a credit to Shipper's bill in the case of sales to Panhandle, and as an addition to Shipper's bill, in the case of sales to Shipper.

(f) Prior Month Adjustments

In the event there are adjustments to Shipper's receipts or deliveries or both applicable to a prior Month ("Prior Month Adjustment" or "PMA") such adjustments shall be used to mitigate any amount paid by Shipper or amount credited by Panhandle pursuant to Section 12.11(a) or Section 12.11(b), if applicable to the prior Month. Otherwise, the PMA will be accounted for as current Month volumes. The Shipper will not be penalized in the current Month for PMA volumes that worsen the Shipper's current accumulated imbalance.

GENERAL TERMS AND CONDITIONS
(Continued)

(g) Hourly Delivery Notification

If a Shipper under Rate Schedule EFT, EIT, SCT, GDS or LFT, is duly notified by Panhandle to limit hourly deliveries to one-sixteenth of the Quantity scheduled for delivery on that Day and continues to receive more Gas at the Point(s) of Delivery than the amount allowed, Shipper shall pay $10 per Dt. or two times the Mid-Continent Spot Price calculated in accordance with Section 12.11(c), whichever is greater, for the excess deliveries in addition to all other applicable charges.

(h) Daily Scheduling Charge

(1) If the sum of actual deliveries at any Point of Delivery under Transportation Agreements varies from the Sum of Quantities of Gas scheduled for delivery at such Point of Delivery by 10% or 100 Dt., whichever is greater (hereinafter called the tolerance level) plus the available MDVQ if the delivery point operator is a DVS Party, a daily Scheduling Charge shall be assessed; provided that, no Scheduling Charge shall be assessed on an interruptible Transportation Agreement for the Day on which such Shipper's scheduled Quantity has been reduced as a result of a nomination under a Transportation Agreement for firm service during the Evening Nomination Cycle or the Intra-day 1 Nomination Cycle in Section 8.2(b) herein. The charge shall be applied to each Transportation Agreement with respect to which actual deliveries, as allocated in accordance with Section 12.10, above, vary from the scheduled Quantity in excess of the tolerance level; provided that, if the Transportation Agreement is a designated Transportation Agreement under a TBS Agreement, the tolerance level shall be expanded by the MDIQ, MDWQ, and available Stored Volume applicable to the designated Transportation Agreement under the TBS Agreement and if the Transportation Agreement is an underlying Transportation Agreement under Rate Schedule DVS, the tolerance level shall be increased by the MDVQ. For service under Rate Schedule FT and IT, the Scheduling Charge shall be equal to the sum of the IT Commodity rates per Dt. applicable to the Transmission Access Charge and the Transmission Mileage Charge for 401-500 miles set forth on effective Tariff Sheet No. 7;

for service provided under Rate Schedules EFT, SCT, EIT, LFT and HFT the Scheduling Charge shall be equal to the sum of the EIT Commodity rates per Dt. applicable to the Transmission Access Charge and the Transmission Mileage Charge for 401-500 miles set forth on effective Tariff Sheet No. 8.

(2) If Panhandle issues an OFO as to any portion of its system, requiring Shipper(s) to reduce scheduling variances, the tolerance level, as defined above, for that portion of its system shall be reduced from 10% to 5% and the charge for variances beyond the reduced tolerance level shall be as stated in Section 12.17 herein in lieu of the Scheduling Charge described in this Section 12.11(h)(1). For Shipper(s) under Rate Schedule SCT, the tolerance level shall be reduced from 10% to 5%, or 500 Dt., whichever is greater.

GENERAL TERMS AND CONDITIONS
(Continued)

(i) Farm Tap

A Point of Delivery on Panhandle's pipeline system which is required under the terms of a right-of-way agreement between the landowner and Panhandle and at which Gas is delivered under Rate Schedules SCT or EFT for domestic and/or agricultural use shall be defined as a Farm Tap. A Shipper's deliveries at a Farm Tap shall not be subject to the terms set out in (g) and (h) above but shall be subject to the terms of (a) and (c) above. Excess receipts and excess deliveries shall be determined on a basis consistent with the measurement frequency for the Farm Tap delivery meters.

(j) Irrigation Tap

A Point of Delivery on Panhandle's pipeline system which is required under the terms of a right-of-way agreement between the landowner and Panhandle and at which Gas is delivered under Rate Schedules EFT or EIT for purposes of irrigation shall be defined as an Irrigation Tap. A Shipper's deliveries at an Irrigation Tap shall not be subject to the terms set out in (g) and (h) above but shall be subject to the terms of (a), (b) and (c) above. Excess receipts and excess deliveries shall be determined on a quarterly, rather than on a Monthly basis.

GENERAL TERMS AND CONDITIONS
(Continued)

12.12(a) Upon termination of firm Transportation Service, Shipper shall reduce to zero any remaining imbalance within 60 Days of the date that Panhandle notifies Shipper of such imbalance. Such reduction may be accomplished by assigning the imbalance within MAIQ to another firm Service Agreement as long as such assignment will not result in an imbalance in excess of MAIQ on the Service Agreement to which the imbalance is assigned. If Shipper does not reduce the remaining imbalance to zero within such period, Panhandle shall retain those quantities it owes Shipper free and clear of any adverse claims and shall charge Shipper and Shipper shall be obligated to pay for those quantities Shipper owes Panhandle at a rate equal to 1.5 times the Mid-Continent Spot Price as defined in Section 12.11(c) for the Month in which the Service Agreement terminated.

12.12(b) Upon termination of firm Storage Service, Shipper shall withdraw, or otherwise dispose of, all of its Stored Volume by the date the firm Storage Agreement terminates. If Shipper fails to withdraw, or otherwise dispose of, all of its Stored Volume prior to the termination of the firm Storage Agreement, Panhandle may retain any remaining quantities of Stored Volume free and clear of any adverse claims; provided, however, that Panhandle will notify Shipper in writing 60 Days prior to termination of its firm Storage Agreement of the quantity of Stored Volume being held by Panhandle for Shipper's account. If Shipper in good faith disagrees with the Quantity of Stored Volume set forth in the notification required above, then within 15 days of such notification, Shipper shall notify Panhandle in writing of such dispute and request a reconciliation. If, as of the date of termination of Shipper's firm Storage Agreement, the Quantity of Stored Volume contained in Panhandle's notice has not been finally reconciled and such failure to reconcile results in a retention hereunder by Panhandle, then title to the difference between the Quantity subject to retention according to Panhandle's records and that reflected on Shipper's

records shall not finally pass to Panhandle until such reconciliation has been completed. Panhandle shall extend the time available for Shipper to remove its Gas from storage by one Day for every Day that Shipper has been unable to withdraw properly nominated gas due to operational or force majeure conditions on Panhandle's system.

12.13 Unauthorized Gas

Panhandle shall have the right to dispose of Unauthorized Gas as follows:

(a) Unauthorized Receipts

When Unauthorized Gas is delivered to Panhandle, Panhandle shall purchase the Unauthorized Gas from the operator of the Point(s) of Receipt at which the Unauthorized Gas is received at 50% of the Mid-Continent Spot Price, as defined in Section 12.11(c), for the Month in which the Unauthorized Gas is delivered to Panhandle.

GENERAL TERMS AND CONDITIONS
(Continued)

(b) Unauthorized Gas Deliveries

When Unauthorized Gas is taken from Panhandle, it shall be assigned to the Transportation Agreements between Panhandle and the operator of the Point(s) of Delivery at which the Unauthorized Gas is taken and shall be treated as unauthorized overruns and, if applicable, Monthly imbalances under such agreements. If there are no Transportation Agreements between Panhandle and the operator of the Point(s) of Delivery at which the Unauthorized Gas is taken, Panhandle shall sell the Unauthorized Gas to the operator at 150 percent of the Mid-Continent Spot Market Price, as defined in Section 12.11(c) for the Month in which the Unauthorized Gas is taken.

12.14 Unauthorized Overrun Receipts

Panhandle shall notify Shipper of excess receipts in order to permit Shipper to reduce receipt quantities. If the excess receipts continue and such receipts jeopardize the safety of the pipeline or Panhandle's ability to serve other Shippers, Panhandle shall be entitled to refuse to accept such excess receipts. If, despite such refusal the excess receipts continue all further excess receipts as to which notice has been given shall be treated as excess receipts under Section 12.11(a) or (b) with a percentage imbalance level greater than 20%.

12.15 Storage Related Transportation

In order to accommodate the transportation to and from Storage used to meet Winter Period requirements, the Maximum Daily Contract Quantity in the Transportation Agreement shall be reduced during the Summer Period in accordance with this Section 12.15.

(a) For Transportation to and from Storage provided by Panhandle under Rate Schedule WS, PS or FS, the Maximum Daily Contract Quantity in the Summer Period shall be reduced if the Transportation Agreement provides that:

(i) During the Summer Period the sole primary Point of Delivery is the WS Point or PS Point; and the Maximum Daily Contract Quantity at the

Point(s) of Receipt is equal to the Maximum Daily Injection Quantity, adjusted for Fuel Reimbursement, under Rate Schedule WS, PS or FS; and

(ii) During the Winter Period the sole primary Point of Receipt is the WS Point or the PS Point; and the sole primary Point of Delivery is the outlet side of Panhandle's pipeline facilities that interconnect Panhandle's system with the facilities of Shipper or Shipper's designee; and the Maximum Daily Contract Quantity at the primary Point of Receipt is equal to the Maximum Daily Withdrawal Quantity, adjusted for Fuel Reimbursement, under Rate Schedule WS, PS or FS.

(b) For transportation to and from storage provided by a person other than Panhandle, the Maximum Daily Contract Quantity in the Summer Period shall be reduced if the Transportation Agreement provides that:

(i) During the Summer Period the sole primary Point of Delivery is the outlet side of Panhandle's pipeline facilities that interconnect Panhandle's system with the facilities of another person; and the Maximum Daily Contract Quantity at the Point(s) of Receipt is equal to the Maximum Daily Injection Quantity, adjusted for Fuel Reimbursement, under the Shipper's firm Storage service agreement;

(ii) During the Winter Period the sole primary Point of Receipt shall be the inlet side of Panhandle's pipeline facilities that interconnect Panhandle's system with the facilities of another person; the sole primary Point of Delivery is the outlet side of Panhandle's pipeline facilities that interconnect Panhandle's system

GENERAL TERMS AND CONDITIONS
(Continued)

with the facilities of Shipper or Shipper's designee; and the Maximum Daily Contract Quantity at the Point of Receipt is equal to the Maximum Daily Withdrawal Quantity, adjusted for Fuel Reimbursement, under the Shipper's firm Storage service agreement; and

(iii) The primary Point of Delivery in the Summer Period and the primary Point of Receipt in the Winter Period is an interconnection in the Market Zone between Panhandle's facilities and the facilities of another person that can both receive Gas from, and deliver Gas to, Panhandle and that delivers to Panhandle for the account of the Shipper, under the affected Transportation Agreement only Quantities that have been withdrawn from firm Storage.

Panhandle shall not execute a Service Agreement for storage related transportation to or from an interconnection with another person until the Shipper provides Panhandle with written verification that it is entitled to receive storage service, with an MDIQ and MDWQ, adjusted as appropriate for Fuel Reimbursement, matching the MDCQ the Shipper has requested at the interconnection during the Summer and Winter Periods, and that the Shipper is entitled to require that such Quantities be received from and delivered to Panhandle during the Summer and Winter Periods. Storage related transportation may be suspended if and to the extent that the Shipper does not subsequently verify (1) that it continues to be entitled to receive a firm storage service, (2) the Shipper's MDIQ, MDWQ, and MSQ (3) Quantities the Shipper is entitled to require to be received from, and delivered to, Panhandle at the interconnection, and (4) the Shipper's Stored Volumes at the beginning of the Winter Period.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) A Shipper with a Storage Related Transportation Agreement whose Maximum Daily Contract Quantity has been reduced in accordance with this Section 12.15 may identify secondary Point(s) of Receipt and Point(s) of Delivery in the Transportation Agreement and may nominate Quantities of Gas at such Point(s) in accordance with Sections 10 and 11 of these General Terms and Conditions. In addition, the Shipper may change the primary and secondary Point(s) of Receipt and Delivery in accordance with Section 10.5 and Section 11.9 of these General Terms and Conditions. If the Shipper changes the primary Point(s) of Receipt or Point(s) of Delivery, and the Transportation Agreement no longer qualifies under the terms of this Section 12.15 for the reduced Maximum Daily Contract Quantity during the Summer period, the Maximum Daily Contract Quantity during the Winter Period shall apply throughout the year as of the Day the change in the primary point(s) becomes effective.

12.16 Unauthorized Overrun Penalty

(a) If on any Day during the month, Shipper takes Quantities of Gas in excess of the MDCQ as stated in the Transportation Agreement or Quantities of Gas in excess of the MDIQ or MDWQ as stated in the Storage Agreement and such Quantity has not been scheduled by Panhandle, then, in addition to the Overrun Charge set forth in the applicable Rate Schedule, Shipper shall be subject to an Unauthorized Overrun Penalty of two times the greater of the highest daily price published in Gas Daily, Daily Price Survey, Citygates - Chicago LDCs or Citygates - Mich.- Mich Con for the day (Saturday and Sunday shall be the preceding Friday price) that Unauthorized Overrun Penalties are incurred for each Dt. taken in excess of the greater of the MDCQ, MDIQ, or MDWQ, as applicable, or the scheduled Quantity of Gas. For purposes of determining the Quantities of Gas subject to the Unauthorized Overrun Penalty provided for in this Section 12.16, Panhandle will allow a daily tolerance of four (4) percent of the MDCQ, MDIQ, or MDWQ, as applicable, or fifty (50) Dt. whichever is greater, and on a monthly basis there will be a two (2) percent tolerance. The Quantities of Gas subject to an Unauthorized Overrun Penalty each month shall be the greater of (1) the sum of the daily Unauthorized Overrun Penalty volumes after the four (4) percent daily tolerance; or (2) the monthly Unauthorized Overrun Penalty volumes determined after the two (2) percent monthly tolerance.

(b) Aggregation by Shipper

For purposes of calculating the daily tolerance and the Quantity of Gas subject to the Unauthorized Overrun Penalty under this Section 12.16, a Shipper shall be permitted to aggregate the MDCQs of its firm Transportation Agreements at a designated Point of

Delivery. For purposes of aggregation under this Section 12.16(b), Shipper shall have scheduled quantities under the firm Transportation Agreements to be aggregated to no other Point of Delivery.

(c) Panhandle will use the quality specifications, including Btu measurements, shown at the meter with no retroactive adjustment applied in determining the Unauthorized Overrun Penalty provided for in this Section 12.16.

(d) If a Shipper takes Quantities of Gas in excess of MDCQ which cause a Shipper to incur an Unauthorized Overrun Penalty under this Section 12.16, such Quantities of Gas will not be considered in any calculation of an otherwise applicable Daily Scheduling Charge pursuant to Section 12.11(h)(1) of the General Terms and Conditions. However, if Panhandle has issued an OFO, the penalty provided for in Section 12.17(f)(ii) below shall apply in lieu of the Unauthorized Overrun Penalty in this Section 12.16.

12.17 Operational Flow Orders

(a) Conditions for the Issuance of an Operational Flow Order

Panhandle will have the right to issue an Operational Flow Order (OFO) when, in Panhandle's reasonable judgment, such OFO is required to alleviate conditions which threaten or could threaten system integrity, safety or reliability of service or to ensure Shipper(s) compliance with the provisions contained in this Tariff. An OFO may be issued to a particular Shipper(s) creating the need for the OFO or to Shippers on all or part of the system, when in the absence of such Shipper(s) action(s), an OFO would not be required. When an OFO is issued, Panhandle will endeavor to minimize the Shippers and Quantities affected. In this regard, Panhandle will not require Shipper(s) under Rate Schedules EFT and SCT in the affected segment to restrict takes at a Point(s) of Delivery during any hour to one-sixteenth of the nominated and scheduled Quantity to the Point(s) for the Day unless deliveries to other Shipper(s) in the affected segment have been ordered to be within the tolerance levels set forth in this Section 12.17.

(b) Circumstances Under Which an OFO May Be Issued

Panhandle may issue an OFO in any circumstance which would, in Panhandle's reasonable judgment, impair Panhandle's ability to receive or deliver Quantities of Gas in accordance with its service obligations including, but not limited to, when:

GENERAL TERMS AND CONDITIONS
(Continued)

(i) operating pressures on the affected portion of the system are significantly less than or greater than normal system operating pressures despite Panhandle's efforts to maintain normal pressures and a further decline or increase in operating pressures would impair Panhandle's ability to receive or deliver scheduled Quantities of Gas;

(ii) a Shipper fails to maintain receipts or deliveries as required in this tariff;

(iii) unscheduled pipeline maintenance and repairs affect capacity;

(iv) wells or pipelines or other essential equipment freeze to the extent that such freezing damages or destroys or otherwise impairs Panhandle's essential facilities or ability to monitor and control essential facilities or results in the loss of supplies of natural gas from other pipelines, Panhandle's storage facilities or producers of Gas;

(v) a loss of Gas supply from producers, storage providers or other suppliers reduces pressure or supplies available for delivery;

(vi) Federal or state rules, regulations, orders, such as safety inspection orders and environmental safety orders, require Panhandle to reduce operating pressures in, or remove from service, a portion of Panhandle's system facilities;

(vii) a mechanical or physical failure affects Panhandle's ability to deliver or receive gas or operate storage, including, but not limited to, pipeline failure, compressor failure, regulator failure, or other similar mechanical or physical failure;

(viii) a partial or total failure of electronic and communications systems impairs Panhandle's ability to monitor or control Panhandle's system;

(ix) external operations, including but not limited to highway construction, require Panhandle to reduce operating pressures in, or remove from service, a portion of Panhandle's system facilities; or

(x) a Shipper's failure to comply with the provisions of this Tariff that adversely affects the operations of Panhandle's

pipeline system including, but not limited to, a Shipper's failure to adhere to the quality of gas specifications set forth in Section 3 of these General Terms and Conditions.

(c) Remedial Actions to Be Taken Before Issuing an OFO

Prior to issuing an OFO Panhandle will take all reasonable actions to minimize the issuance and adverse consequences of the OFO. These actions may include, but are not limited to, requiring firm shippers to utilize primary Points of Receipt and Delivery and compliance with the provisions of this Tariff and the Service Agreement.

(d) Notice

(i) Panhandle will provide as much advance notice of an OFO as is possible in the circumstances. Ordinarily, the notice will be issued by 10:30 a.m. CT on the Day before the OFO is to be effective. The OFO will ordinarily become effective at the commencement of the Day. When operating conditions so require, Panhandle may issue the notice of the OFO after 10:30 a.m. and may provide that the OFO will become effective before the commencement of the next Day. When an OFO becomes effective at any time other than the commencement of any Day, Shippers will use their best efforts to comply with the OFO as soon as possible but in no event later than two hours, after which the applicable Scheduling Charges or Unauthorized Overrun Penalty provided for in this Section 12.17 shall apply.

(ii) Panhandle shall issue notice of an OFO by notifying the affected meter operator(s) and Shippers(s) through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Panhandle will post notification of, and provide updated information concerning, the OFO on the Messenger System and the Web Site at the commencement of each Day until Panhandle notifies the affected meter operator(s) and the Shipper(s) that the OFO has ended. Each Shipper and point operator shall designate one or more persons for Panhandle to contact on operational matters on a 24-hour a day, 365 days a year basis. Telephone and facsimile numbers as well as e-mail address must be

GENERAL TERMS AND CONDITIONS
(Continued)

provided for such person or persons. If Panhandle is unable to contact any Shipper or point operator because that Shipper's or point operator's contact person(s) is unavailable, such Shipper or point operator shall be responsible for any consequences arising from such failure of communications.

(iii) Each notice will provide the time and date of issuance of the OFO, the time the OFO is to become effective, the time the OFO is expected to remain in effect, the action required to be taken by the Shipper(s), the reason for issuing the OFO, together with the operating variables providing the basis for issuing the

GENERAL TERMS AND CONDITIONS
(Continued)

OFO, and any other information which may be required in the circumstances.

(iv) Within a reasonable period of time following the end of the OFO, Panhandle will post on the Messenger System and the Web Site a report detailing the conditions that required the issuance and termination of the OFO.

(e) Remedial Action to Be Taken

The OFO shall require the Shipper(s) subject to the OFO to take such action(s) or refrain from such action(s) as necessary to alleviate the conditions set forth in Sections 12.17(a) and 12.17(b). These actions include, but are not limited to, the elimination of Unauthorized Overruns and the reduction of scheduling variances. If the OFO requires the elimination of Unauthorized Overruns and the reduction of scheduling variances, the OFO shall reduce the daily tolerance level for Unauthorized Overruns to zero and shall reduce the tolerance level for scheduling variances from 10% to 5% and require Shipper(s) to maintain scheduling variances to the tolerance level stated in the notice. For Shipper(s) under Rate Schedule SCT, the tolerance level shall be reduced from 10% to 5%, or 500 Dt., whichever is greater.

(f) Penalties for Noncompliance With the OFO

Except as provided in Section 12.17(d)(i), if a Shipper does not comply with the OFO, then:

(i) for an OFO requiring Shipper(s) to reduce scheduling variances, Shipper shall pay for variances in excess of the reduced tolerance level of 5% or 500 Dt. for Shippers under Rate Schedule SCT and 5% for Shipper(s) under other Rate Schedules, the greater of (a) two (2) times the highest daily price published in Gas Daily, Daily Price Survey, Citygates - Chicago LDCs or Citygates - Mich.-Mich Con, whichever is greater, for the day (Saturday and Sunday shall be the preceding Friday price) that Daily Scheduling Charges are incurred, or (b) the following:

Variance	Rate
5% - 10%	$ 25.00 per Dt.
>10% - 15%	$ 50.00 per Dt.
>15% - 50%	$100.00 per Dt.
>50%	$200.00 per Dt.

(ii) for an OFO requiring Shipper(s) to eliminate Unauthorized Overruns, Shipper shall pay for all Quantities taken in excess of the reduced daily tolerance of zero, the greater of (a) two (2) times the highest daily price published in Gas Daily, Daily Price Survey, Citygates - Chicago LDCs or Citygates - Mich.-Mich Con, whichever is greater, for the day (Saturday and Sunday shall be the preceding Friday price) that Unauthorized Overrun Penalties are incurred, or (b) the following:

Overrun	Rate
0% - 5%	$ 15.00 per Dt.
> 5% - 10%	$ 25.00 per Dt.
>10% - 15%	$ 50.00 per Dt.
>15% - 50%	$100.00 per Dt.
>50%	$200.00 per Dt.

The above overrun tiers shall be determined by comparing the aggregate amount of contract entitlement nominated to a Point of Delivery with the aggregated amount of Gas flowing through such Point of Delivery. It shall be the responsibility of the meter operator at a Point of Delivery to provide in writing to Panhandle an allocation by contract of the gas flowing through such meter.

If a Shipper takes Quantities of Gas in excess of MDCQ which cause a Shipper to incur a penalty under this Section 12.17(f)(ii), such Quantities of Gas will not be considered in any calculation of an otherwise applicable penalty pursuant to Section 12.17(f)(i).

For purposes of calculating the Unauthorized Overrun Penalty under this Section 12.17, a Shipper shall be permitted to aggregate the MDCQs of its firm Transportation Agreements at a designated Point of Delivery. For purposes of aggregation under this Section 12.17(f), Shipper shall have scheduled quantities under the firm Transportation Agreements to be aggregated to no other Point of Delivery.

(iii) for any other OFO, Shipper shall, for all Quantities tendered or taken in violation of the OFO, pay two (2) times the greater of the highest daily price published in Gas Daily, Daily Price Survey, Citygates - Chicago LDCs or Citygates - Mich.-Mich Con for the day (Saturday and Sunday shall be the preceding Friday price) that OFO penalties are incurred.

(g) Indemnification

Compliance with an OFO and the other terms and conditions of Panhandle's FERC Gas Tariff is essential to Panhandle's ability to provide deliveries and services under all rate

schedules. A failure by one or more Shippers to comply with an OFO may affect Panhandle's ability to provide such deliveries and services. In such event and in addition to other provisions hereof and not in lieu of any other remedies or defenses available in law or at equity with respect to any person, Panhandle will have no liability or responsibility for its inability to provide deliveries and services to any Shipper failing to comply with an OFO and will be indemnified and held harmless by the Shipper(s) failing to comply with Panhandle's FERC Gas Tariff and in particular the provisions of this Section 12.17 against any claims related to the failure to provide deliveries and services, except to the extent such claims are the result of Panhandle's negligence, bad faith or wilful misconduct.

12.18 Third-Party Management Services

Subject to the conditions set forth in this Section, a Shipper may obtain services from a third-party provider to manage imbalances between actual receipts and deliveries; to manage variances between scheduled and actual deliveries; and to supply gas for overruns.

(a) Panhandle and the third-party provider have entered into an agreement which defines how such provider will accommodate Shipper's imbalances, scheduling variances, or overruns, how the provider is to make the corresponding operational changes, the limitations on the level of imbalances, scheduling variances and overruns to be accommodated and the consequences if such levels are exceeded or operational changes are not made. The agreement must provide Panhandle with the ability to call on the third-party provider on a basis consistent with service offered by the third-party provider to the Shipper. The agreement must also specify a predetermined allocation methodology and shall specify the extent to which and the conditions under which the Shipper shall be kept whole because the third-party provider is agreeing to take the imbalance, scheduling variance or overrun. If there is an operational balancing agreement at the point at which the imbalance management service is to be provided, the agreement must also provide that Panhandle shall not be responsible for balancing within the agreed limits of the management service.

(b) Panhandle and the Shipper have entered into an agreement designating the Service Agreements for which the third-party provider will take the imbalance, scheduling variance, or overrun and designating the point(s) at which the third-party provider will provide the imbalance management service. The point(s) designated must have electronic real-time metering or must be otherwise agreeable to Panhandle.

GENERAL TERMS AND CONDITIONS
(Continued)

The conditions set forth in this Section are minimum conditions that all third-party providers and Shippers utilizing such services must satisfy. When a specific third-party management service is proposed, Panhandle may require the third-party provider and Shipper to satisfy additional conditions. Panhandle shall not be obligated to enter into any agreement to accept third-party imbalance management services which would, in Panhandle's reasonable judgment, impair its ability to meet its existing system requirements or which would not relieve Panhandle of the need to manage (to the extent of the third-party service) the Shipper's imbalances, scheduling variances and overruns.

GENERAL TERMS AND CONDITIONS
(Continued)

13. POLICY FOR CONSTRUCTION OF NEW RECEIPT OR DELIVERY FACILITIES

All requests for new interconnects must be made in writing. The party requesting the new interconnect shall reimburse Panhandle or cause Panhandle to be reimbursed for any and all reasonable costs and expenses incurred in constructing, establishing or modifying the facilities required to establish a new interconnection on existing facilities for receipt or delivery of Gas hereunder. Such reimbursement shall be received by Panhandle prior to commencement of service, unless otherwise agreed. In the alternative, the party requesting the interconnect may perform the construction at its own cost in compliance with Panhandle's technical requirements. In this regard, all new receipt and delivery meters shall require EGM which shall be owned by Panhandle and all new delivery meters shall require a Flow Control Device with pressure override features that can be remotely operated by Panhandle. Panhandle also must be the custody transfer party at the proposed facility.

In addition to the above requirements, Panhandle will agree to construct a new interconnect or modify an existing interconnect on the following terms:

(1) The construction of the new interconnect will not create any significant operational problems for Panhandle;

(2) The proposed interconnect will not adversely affect the rendition of existing service or adversely alter the operation of the pipeline system;

(3) The new interconnect must be at a mutually agreeable location on the Panhandle system; provided, however, that Panhandle may not deny a customer's request for specific placement of the interconnect without adequate operational, environmental, or legal justification;

(4) In order to properly and prudently design and size the new interconnect, Panhandle must be provided with reasonable and reliable data concerning the interconnecting facilities, including delivery pressures, and anticipated hourly, daily, monthly and annual volume levels of the service that supports the new interconnect and such other data as is reasonably required to construct the interconnect facility;

GENERAL TERMS AND CONDITIONS
(Continued)

(5) The new interconnect must not result in any minimum pressure receipt or delivery requirement by Panhandle, unless Panhandle agrees otherwise, such agreement shall not be unreasonably withheld, and Panhandle shall not be responsible for any downstream parties' facilities, the operation or maintenance of such facilities, or the delivery of any unauthorized volumes to the facilities;

(6) The service supporting the interconnect as well as the construction of the new facilities must conform with the provisions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1 as well as applicable regulatory requirements;

(7) The proposed interconnect must not cause Panhandle to be in violation of any applicable environmental or safety laws or regulations with respect to the facilities required to establish an interconnect with Panhandle's existing facilities; and

(8) The proposed interconnect must not cause Panhandle to be in violation of its right-of-way agreements or any other contractual obligations with respect to the interconnect facilities.

Panhandle will respond to each request for interconnect facilities within sixty (60) days after receiving a written request containing reasonably sufficient and reliable information necessary for Panhandle to make a determination pursuant to this Section 13.

GENERAL TERMS AND CONDITIONS
(Continued)

14. POOLING AND IN-FIELD TRANSFERS OF STORAGE INVENTORY

14.1 Pooling

(a) A Transportation Agreement may become a Corresponding Transportation Agreement by: (1) designating a Pool Point as a Point of Receipt, and (2) designating a Pooling Transportation Agreement(s) as the Transportation Agreement delivering Gas to the Corresponding Transportation Agreement at the Pool Point. The Maximum Daily Contract Quantity of the Corresponding Transportation Agreement assigned to the Pool Point shall not be less than the Maximum Daily Contract Quantities of the firm Pooling Transportation Agreement(s) designated in the Corresponding Transportation Agreement.

Deliveries under the Pooling Transportation Agreement(s) designated in the Corresponding Transportation Agreement on any Day shall be equivalent to the total Quantities of Gas nominated for receipt at the Pool Point under the Corresponding Transportation Agreement.

(b) Quantities of Gas delivered at the Pool Point under a Pooling Transportation Agreement shall be deemed to have been delivered to the extent of the total amount of Corresponding Shipper's nominated Quantities of receipt at the Pool Point. It shall be the responsibility of the Shipper under the Pooling Transportation Agreement to assure that the total nominations of Gas to be received at the Pool Point under the Corresponding Transportation Agreement is in balance with the total Quantities of Gas such Shipper causes to be received into Panhandle's system, adjusted for Fuel Reimbursement. If the Pooling Shipper has executed a Gas Parking Service Agreement and if the Pooling Shipper has so elected in accordance with the terms of Rate Schedule GPS, Panhandle shall utilize the Pooling Shipper's Gas Parking account to balance the total Quantities of Gas delivered to the Pool Point with the total nominations of gas to be received at the Pool Point under the Corresponding Transportation Agreement. To facilitate scheduling of Corresponding Transportation Agreements, Panhandle shall accept from the Pooling Shipper a prescribed methodology for ranking of Corresponding Shippers' nominated Quantities for receipt at the Pool Point. Such methodology shall be provided by the Pooling Shipper to Panhandle by the nomination deadline for the applicable nomination cycle. In the absence of such methodology, scheduling shall be pro-rata.

GENERAL TERMS AND CONDITIONS
(Continued)

Each Shipper under a Corresponding Transportation Agreement shall be responsible for assuring that its receipts are in balance with the amounts of its deliveries, adjusted for Fuel Reimbursement.

(c) In addition to the other requirements herein, the Shipper under the Pooling Transportation Agreement at the time of nomination shall identify each Corresponding Shipper, the Corresponding Transportation Agreement and shall state the Quantities of Gas to be delivered to each Corresponding Shipper under each Corresponding Transportation Agreement at the Pool Point.

14.2 In-Field Title Transfers of Storage Inventory

(a) A Shipper under a Storage Rate Schedule may transfer by sale or otherwise Stored Volumes to any Shipper under another Service Agreement that receives Storage service from the same Storage area, either Market Area Storage Facilities, or Field Area Storage Facilities, if:

(i) Both the transferee and transferor of the Stored Volumes provides Panhandle with verification of the transfer in writing;

(ii) The transfer does not cause the Stored Volumes to exceed the Maximum Stored Quantity specified in any Service Agreement; and

(iii) The transfer does not cause the transferor or transferee to be in violation of any requirement of Rate Schedule PS.

(iv) The transfer does not result in an increase in Panhandle's injection or withdrawal obligations that would impair Panhandle's ability to meet all of its service obligations of equal or higher priority.

(b) Panhandle will recognize the transfer for purposes of computing available Stored Volumes and applicable Withdrawal and Injection Quantities on a prospective basis within one Business Day after receiving the written verification required by Section 14.2(a)(i).

GENERAL TERMS AND CONDITIONS
(Continued)

15. PROCEDURES FOR CAPACITY RELEASE

15.1 Service Rights That May Be Released

(a) The Service Agreements of a Releasing Shipper with Service Agreements under Rate Schedule FT, EFT, IOS, WS, PS, FS, LFT or HFT may be released, in whole or in part, to a Replacement Shipper for any time period up to the remaining term of the Service Agreement.

(b) A Releasing Shipper is a Shipper that has executed a Release Notice in accordance with Section 15.2.

(c) A Replacement Shipper is a party that (1) meets the eligibility criteria for Shippers set forth in Section 6, including the credit standards set forth in Section 6.2, except that Panhandle shall not require the Replacement Shipper to make the prepayment required by Section 6.9, (2) accepts assignment of the Service Agreement of a Releasing Shipper pursuant to this Section 15, and, (3) executes a Capacity Release Service Agreement as prescribed by this Tariff. Panhandle will issue and execute an Addendum to the Capacity Release Service Agreement when the Releasing Shipper's Service Agreement is awarded to the Replacement Shipper.

(d) A Replacement Shipper may release, in whole or in part, the Addendum to its Capacity Release Service Agreement as a Releasing Shipper pursuant to this Section 15.

15.2 Initiation of the Release of Service Rights

(a) A Releasing Shipper may initiate the release of its Service Agreement by electronically submitting a Release Notice in the form prescribed by this Tariff. Such Release Notice shall be posted on the Messenger® system. Panhandle shall accept the upload of prearranged capacity release transactions. A Releasing Shipper may withdraw its Release Notice at any time prior to the close of the posting period where unanticipated circumstances justify and no minimum bid has been made.

(b) In the Release Notice the Releasing Shipper must specify the term, quantity and Minimum Rate expressed in dollars and cents or percent of Maximum Rate the Releasing Shipper is willing to accept and whether the release is subject to recall and the applicable recall conditions as well

as methods and rights associated with returning the previously recalled capacity to the Replacement Shipper. The Releasing Shipper may specify further objective and nondiscriminatory conditions in its Release Notice, such as alternative economic criteria for evaluating bids which may include highest rate, net revenues or present value, whether volumetrically stated bids will be accepted, whether a volumetric commitment is required, alternative methods for breaking ties, whether contingent bids will be accepted and, if so, the method by which contingent bids will be evaluated and when the contingency must be removed, and whether bids for a portion of the capacity offered will be accepted or whether a prepayment deposit, not to exceed the prepayment deposit set forth in Section 6.9, will be required to be paid to the Releasing Shipper; provided, however, the Releasing Shipper may not specify conditions which are in conflict with the Service Agreement, the applicable Rate Schedule, or these General Terms and Conditions. Releasing Shipper shall also specify whether the Replacement Shipper is (a) an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations and, if so, include the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect or (b) a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

Panhandle shall support volumetric releases with volumetric commitments by fully accounting for volumetric and reservation components, consistent with the rules and regulations enunciated by the Commission.

(c) The Releasing Shipper may arrange for the release of its Service Agreement to a Designated Replacement Shipper prior to submitting its Release Notice to Panhandle. Such Designated Replacement Shipper must be on the approved bidders list and shall acknowledge the Release Notice through the Messenger® system as a prerequisite to the posting of the Release Notice. However, the release will not become effective except as provided in this Section 15.

15.3 Posting

(a) Shipper will post the information provided in each Release Notice on the Messenger® system. The posting will include the MDCQ or MSQ available for release, the Points of Receipt and Delivery and the released quantity for each point, the term of the release, whether the release is firm or recallable and the recall conditions, if applicable, the Minimum Rate expressed in dollars and cents or percent of Maximum Rate that the Releasing Shipper will accept, and any other conditions the Releasing Shipper specifies for the release in accordance with Section 15.2(b).

GENERAL TERMS AND CONDITIONS
(Continued)

(b) The posting will commence upon receipt of the Release Notice; unless otherwise specified by the Releasing Shipper.

15.4 Bidding For Capacity Releases

(a) Except as provided in Section 15.4(b), a party must bid on the Messenger® system to accept release of the Service Agreement under the conditions posted in conjunction with a Release Notice. Bids must be expressed in dollars and cents or percents of Maximum Rate, whichever is stated in the Release Notice. The maximum reservation rate that may be bid shall not exceed the Maximum Rate for the applicable service being released as set forth on the applicable currently effective tariff sheets; provided, however, no rate limitation applies to the release of capacity for a period of one year or less if the release is to take effect on or before one year from the date on which Panhandle is notified of the release. In order to submit a valid bid, any party, including a Designated Replacement Shipper, must be on the approved bidders list. To be on the approved bidders list, a party must meet the provisions of Section 6 of these General Terms and Conditions and must have executed a Capacity Release Service Agreement with Panhandle in the form as set forth in this Tariff (Capacity Release Service Agreement). A party shall remain on the approved bidders list until such party notifies Panhandle to the contrary, no longer meets the credit qualifications in Section 6.2 of these General Terms and Conditions or is suspended from the approved bidders list in the event and for such time as such party fails to pay part or all of the amount of any bill for service in accordance with Section 17 of these General Terms and Conditions.

(b) No bids are required for Service Agreements where the Releasing Shipper notifies Panhandle in its Release Notice that it has arranged for the release of its Service Agreement to a Designated Replacement Shipper that is on the approved bidders list and the capacity release is one of the following:

(i) A capacity release for any period of thirty-one (31) Days or less. A Releasing Shipper shall not roll over, extend or in any way continue such capacity release to the same Replacement Shipper until 28 days after the first release period has ended. This 28-day period does not apply to any release to the same Replacement Shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding set forth in Sections 15.4(b)(ii), (iii) or (iv) below.

GENERAL TERMS AND CONDITIONS
(Continued)

(ii) A capacity release for more than one year at the maximum tariff rate.

(iii) A capacity release to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.

(iv) A capacity release to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.

Such releases for which no bids are required may be submitted electronically and shall be posted on the Messenger® system upon confirmation by the Replacement Shipper. The Capacity Release Service Agreement Addendum number shall be provided when such release is posted.

For non-biddable releases:

Timely Cycle
- posting of prearranged deals not subject to bid are due by 10:30 a.m.;
- 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.;
- 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.;
- 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)

GENERAL TERMS AND CONDITIONS
(Continued)

Intraday 2 Cycle
- posting of prearranged deals not subject to bid are due by 4:00 p.m.;
- 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)

(c) Bids to accept the released Service Agreement must specifically identify any contingencies and may be made through the Messenger® system only. If the Releasing Shipper requires a prepayment deposit, the party submitting the bid must concurrently submit the prepayment deposit through Electronic Funds Transfer to a designated bank account established by Panhandle.

(d) The capacity release procedure is applicable to all parties involved in the Capacity Release process; however, it is only applicable if 1) all information provided by the parties to the transaction is valid and 2) there are no special terms or conditions of the release. All stated times are Central Time on a Business Day.

(i) For biddable releases (1 year or less)

12:00 p.m.	Time by which Releasing Shipper shall post the Release Notice on the Messenger® system
1:00 p.m.	Bidding period ends Evaluation period begins during which any contingency is eliminated, determination of best bid is made and ties are broken
2:00 p.m.	Evaluation period ends and award posting if no match required Match or award is communicated to Designated Replacement Shipper
2:30 p.m.	Match response is due Designated Replacement Shipper
3:00 p.m.	Award posting where match is required to Replacement Shipper or Designated Replacement Shipper

GENERAL TERMS AND CONDITIONS
(Continued)

(ii) For biddable releases (more than 1 year)

The timeline is the same as biddable releases for 1 year or less except that the Releasing Shipper shall post the Shipper Notice on the Messenger® system by 12:00 p.m. Central Time four (4) Business Days before the award. Open season ends no later than 1:00 p.m. Central Time on the Business Day before timely nominations are due (open season is three Business Days).

GENERAL TERMS AND CONDITIONS
(Continued)

(iii) If the Releasing Shipper specifies a bid evaluation methodology other than highest rate, net revenue or present value, or a permanent release or any other special conditions, the above timelines shall apply; provided, however, one additional Business Day will be added to the evaluation period. Such extended evaluation period will cause Gas flow to be at least one day later than Gas could flow under the timeline set forth in Section 15.4(d)(i)or Section 15.4(d)(ii).

(e) A party may submit only one bid at a time in response to a Release Notice. Once a party has submitted a bid, it may withdraw the bid through the Messenger® system at any time prior to the close of the posting period specified in Section 15.3(c) without prejudice to its submitting another bid with an economic value equal to or greater than the economic value of the withdrawn bid. If a bid is not withdrawn prior to the close of the posting period, the bid shall be binding on the party submitting the bid, subject to the satisfaction of any contingencies the Releasing Shipper permits to be satisfied after the close of the bidding period.

(f) Bids to accept releases will be posted on the Messenger® system with any contingencies identified and with the bidder's identity deleted.

15.5 Selection of Replacement Shipper

(a) The Addendum to the Capacity Release Service Agreement will be issued to the Replacement Shipper whose bid provides the greatest economic value, as defined by the Releasing Shipper in accordance with Section 15.2(b) or, if the Releasing Shipper does not specify a method of determining economic value, the economic value will be determined by utilizing the present value method, and whose bid meets all the conditions placed upon the release by the Releasing Shipper as provided for in Section 15.2(b), provided that if the Releasing Shipper has permitted contingent bids, the selection of a Replacement Shipper may be delayed in accordance with the contingencies permitted in the Release Notice. If the bids of two or more Replacement Shippers provide the same economic value and both meet all the conditions placed upon the

GENERAL TERMS AND CONDITIONS
(Continued)

release, Panhandle will tender the Addendum to the Capacity Release Service Agreement to the Replacement Shipper who submitted its bid first unless, in accordance with Section 15.2(b), the Releasing Shipper has specified an alternative method for breaking ties, in which event the method specified by the Releasing Shipper shall be used. If there are multiple bids meeting the minimum conditions, Panhandle shall rank the bids and award the bids, best bid first, until all offered capacity is awarded. The Capacity Release Service Agreement Addendum number shall be assigned when capacity is awarded.

(b) If the Releasing Shipper has notified Panhandle in the Release Notice that it has arranged a Designated Replacement Shipper and no party is eligible to submit a bid for the release, Panhandle will issue the Addendum to the Capacity Release Service Agreement to the Designated Replacement Shipper.

(c) If the Releasing Shipper has notified Panhandle in the Release Notice that it has arranged a Designated Replacement Shipper who has agreed to pay less than the applicable Maximum Rate for the service, the Designated Replacement Shipper may match the bid that has the greatest economic value within the time period specified in Section 15.4.

(d) Panhandle will issue the Addendum to the Capacity Release Service Agreement within one hour of the posting of the award of a release. If all the information provided by the Releasing Shipper, bidder, and Designated Replacement Shipper is valid, the Replacement Shipper is creditworthy, and there are no special terms and conditions, Panhandle will issue and execute the Addendum at the same time.

(e) Panhandle shall post the winning bid and bidder on the Messenger® system for ninety (90) Days.

(f) If an Addendum to the Capacity Release Service Agreement is not tendered to a party submitting a prepayment deposit with its bid, the prepayment deposit will be refunded with carrying charges to such party within two (2) Business Days.

GENERAL TERMS AND CONDITIONS
(Continued)

15.6 Rights and Obligations of Releasing Shipper

(a) Except as provided in Section 15.6(e), the Releasing Shipper shall continue to be responsible to Panhandle for all reservation charges and reservation surcharges for Transportation or Storage service provided pursuant to the Shipper's applicable Service Agreement and all other charges and surcharges that would be charged to the Releasing Shipper if the Service Agreement had not been released. The Releasing Shipper will not be responsible for Commodity charges or volumetric surcharges which are applicable under Panhandle's Tariff to Quantities of Gas actually transported except as provided in Section 15.6(b) below for a Releasing Shipper with a Negotiated Rate.

(b) A credit will be included on each of the Releasing Shipper's monthly bills to reflect the reservation fee invoiced to Replacement Shippers less any negotiated marketing fee retained by Panhandle pursuant to Section 15.8 provided, however, that Panhandle and Releasing Shipper may, in connection with a Negotiated Rate based on a rate design other than straight fixed variable, agree upon a payment obligation and crediting mechanism that varies from or is in addition to the provisions of this Section 15.6 in order to establish the basis of accounting for revenues from a Replacement Shipper as a means of preserving the economic bases of the Negotiated Rate. In the event of a release with a volumetrically stated rate, rate shall be no greater than the 100% load factor equivalent of Panhandle's maximum reservation charge currently applicable to the service released and shall be credited to the Releasing Shipper's monthly bill for reservation charges applicable to such service. Notwithstanding the above, no 100% load factor equivalent limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Panhandle is notified of the release.

If a Replacement Shipper fails to pay all or any part of the reservation fee so credited within thirty (30) days of its due date, then such unpaid amount will be charged to the Releasing Shipper's next monthly bill and will be due and payable by the Releasing Shipper in accordance with Section 17 of these General Terms and Conditions.

The payment of the reservation charge by the Replacement Shipper on a one-part volumetric basis shall not relieve Panhandle, the Releasing Shipper or the Replacement Shipper from their obligations to conform to all of the terms and conditions of this Section 15.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) When a Releasing Shipper assigns Transportation service rights under Rate Schedule FT, EFT, LFT or HFT, the MAIQ under the Transportation Agreement will be reduced proportionately by the amount of MDCQ released. Any imbalance in excess of this reduced MAIQ must be reduced to the new tolerance level in the month following the completion of the release to avoid balancing charges pursuant to Section 12.11.

(d) When a Releasing Shipper partially releases its service rights under a Service Agreement by releasing service rights between specific Point(s) of Receipt and Delivery or by releasing only a portion of the Maximum Daily Contract Quantity, the Releasing Shipper's Service Agreement shall be deemed to be modified in accordance with the release and the Releasing Shipper may not utilize the service rights released during the term of the release.

(e) If the Releasing Shipper's Service Agreement is released permanently for the remaining term of the agreement, subject to Panhandle's agreement, the Releasing Shipper shall have no further responsibility or obligations under the Service Agreement. Such permanent release shall provide the same economic value as the original underlying agreement, or such difference shall be funded by the Releasing Shipper, unless Panhandle agrees otherwise.

(f) Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity. For the recall notification provided to Panhandle, Panhandle's Tariff should specify whether the quantity should be expressed in terms of a) total released capacity entitlements or b) adjusted total released capacity entitlements based upon the elapsed prorata capacity. The capacity entitlements resulting from the use of either a) or b) should be the same. The recall notification to Panhandle shall specify the Quantity in terms of total released capacity entitlements.

GENERAL TERMS AND CONDITIONS
(Continued)

15.7 Rights and Obligations of the Replacement Shipper

(a) A Replacement Shipper shall have all the rights and obligations specified under the applicable Rate Schedule, Service Agreement, and General Terms and Conditions unless the conditions prescribed for the release require otherwise.

(b) A Replacement Shipper shall have the right to reserve primary point capacity up to its contract demand, subject to available capacity.

(c) When the Capacity Release Service Agreement Addendum is issued, a Replacement Shipper may submit nominations pursuant to Section 8 of these General Terms and Conditions for the next available nomination cycle and any nomination cycle thereafter for which the Addendum to the Capacity Release Service Agreement is effective.

(d) The Replacement Shipper will be responsible for any imbalance between receipts of Gas and deliveries of Gas, and for all costs and all rates, charges, penalties and fees for Transportation or Storage service provided under the Capacity Release Service Agreement.

(e) Commodity charges and volumetric surcharges which are applicable under Panhandle's Tariff to Quantities of Gas actually transported shall be a separately stated charge on the Replacement Shipper's Monthly Bill and shall be at the Maximum Rate contained on the currently effective Tariff sheet unless Panhandle agrees to a lesser rate.

(f) Replacement Shippers for a capacity release with a term of one year or less that are paying a rate which exceeds the Maximum Rate shall be considered to be paying the Maximum Rate for purposes of scheduling and curtailment.

15.8 Marketing Fee

The Releasing Shipper and Panhandle may agree that, in return for Panhandle actively marketing the Releasing Shipper's Service Agreement, Panhandle will reduce the Releasing Shipper's invoice credit by a negotiated marketing fee.

Section 16 is
RESERVED FOR FUTURE USE

GENERAL TERMS AND CONDITIONS
(Continued)

17. STATEMENTS AND PAYMENTS

17.1 Panhandle shall send to Shipper, on or before the 9th Business Day after the end of the month, a billing of charges for service rendered in the preceding Month. Such charges may be based on estimated Quantities of Gas if actual Quantities of Gas are unavailable in time to prepare the billing. In that event, Panhandle shall provide, in the succeeding Month's billing, an adjustment based on any difference between actual Quantities of Gas and estimated Quantities of Gas. If Shipper has contracted for multiple services with Panhandle, then Shipper may receive a master bill which shall contain multiple charges for the multiple services and/or contracts for which Shipper has contracted. Panhandle may waive the applicability of any fixed Monthly charges during periods prior to the completion of Panhandle's, Shipper's or third party's facilities required to perform the service involved.

17.2 (a) Payment

Shipper shall pay Panhandle by Electronic Funds Transfer to a designated bank account established by Panhandle for billed amounts equal to or greater than $100,000. For billed amounts less than $100,000 Shipper shall pay Panhandle by check to Panhandle's designated Post Office Box or at Shipper's election by Electronic Funds Transfer to a designated bank account established by Panhandle. Payments shall be made by Shipper to Panhandle within 10 Days from the date on which the bill is sent (Due Date) for all charges billed in accordance with the provisions of the applicable Rate Schedules. Payments made by Electronic Funds Transfer shall be considered to have been made on the date when such payment of good funds is received by Panhandle.

GENERAL TERMS AND CONDITIONS
(Continued)

(b) Unpaid and Disputed Bills

Should Shipper fail to pay part or all of the amount of any such bill, interest thereon shall accrue at an average prime interest rate computed in a manner consistent with Section 154.501(d) of the Commission's Regulations, from the Due Date until date of receipt of payment by Panhandle. If such failure to pay continues 30 Days after payment is due, Panhandle, in addition to any other remedy it may have, may suspend further service to Shipper until such amount is paid after Panhandle provides Shipper with 20 Days prior written notice; provided, however, that if Shipper in good faith disputes in writing the amount of any such bill or parts thereof and pays to Panhandle such amounts as it concedes to be correct, and at any time thereafter within 30 Days of demand made by Panhandle shall furnish a good and sufficient surety bond guaranteeing payment to Panhandle 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 Panhandle shall not be entitled to suspend further service unless and until default be made in the conditions of such bond. If resolution of the dispute is in favor of Shipper and the Shipper furnished a surety bond instead of paying the disputed amount, then Panhandle shall reimburse Shipper for the cost of securing that surety bond. No payment by Shipper of the amount of a disputed bill shall prejudice the right of Shipper to claim an adjustment of the disputed bill.

17.3 In the event that an error is discovered in the invoiced amount hereunder, such error shall be adjusted within 30 Days of the determination thereof, provided that claim therefor shall have been made in writing.

(a) Measurement data corrections should be processed within 6 months of the production month with a 3 month rebuttal period.

(b) The time limitation for disputes of allocations should be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period, excluding government-required rate changes.

The above shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by these standards.

17.4 Shipper agrees to reimburse Panhandle for all filing or other fees, in connection with any service subject to these General Terms and Conditions, that Panhandle is obligated to pay to the Commission or to any other governmental authority having jurisdiction. The term "fees" as used herein, shall mean any fee or charge now or hereafter levied, assessed or made by any governmental authority on the Gas itself or on the act, right or privilege of producing, severing, gathering, transporting, handling, selling, receiving or delivering Gas, however such fees or charges are measured.

17.5 Refunds

Refunds due Shipper pursuant to the terms of this tariff or orders of the Commission shall be paid by Electronic Funds Transfer to a bank account established by Shipper if:

(a) Shipper has transmitted payment for services to Panhandle by Electronic Funds Transfer within the twelve Month period preceding the date of the refunds; and

(b) Shipper has designated in writing a bank account for the receipt of Electronic Funds Transfers at least 30 Days prior to the date established for refunds; and

(c) The amount of the refund, including interest, equals or exceeds $100,000.

Refunds not paid by Electronic Funds Transfer shall be paid by check.

17.6 Order of Discounting

If and when Panhandle discounts the rates applicable for service under any Service Agreement under Rate Schedules included in Panhandle's FERC Gas Tariff, the components of the currently applicable Maximum Rate shall be discounted in the following order: the base rate charge, stranded transportation cost surcharges and other transition cost surcharges, followed by the GSR surcharges. Other non-transition cost surcharges will be attributed in accordance with the applicable section of the General Terms and Conditions which provides for the surcharge as agreed by Panhandle and its shippers in individual proceedings.

GENERAL TERMS AND CONDITIONS
(Continued)

18. PERIODIC RATE ADJUSTMENTS AND SURCHARGES

Periodically rates and charges under Panhandle's FERC Gas Tariff shall be adjusted to reflect changes in Panhandle's expenditures for Take-or-Pay, the Gas Research Institute, the Annual Charge Adjustment, the Applicable Surcharge Adjustments and the Transition Cost Recovery Mechanism. Such expenditures shall include both expenditures chargeable to operations as well as expenditures includable in rate base. Panhandle and Shipper recognize that Panhandle shall from time to time experience changes in costs related to providing service under this FERC Gas Tariff, including, but not limited to, changes in the cost of labor, benefits, materials and supplies, taxes, and required rate of return, costs associated with the resolution of past disputes or outstanding uncertainties concerning amounts owed by Panhandle or attributable to Panhandle, and costs generated by decisions by the Commission, the courts or by an arbitration panel or other body having jurisdiction over Panhandle. It may be appropriate, equitable and consistent with cost responsibility to allocate such costs among Shippers based on or taking into account past period factors, such as contract demand levels, purchases or other factors related to a prior period of time. Panhandle shall have the right from time to time to make rate change filings which may include such costs and utilize an allocation methodology based in whole or in part on factors related to past periods. Specific allocation methodologies will be determined when Panhandle submits a filing to recover any of the aforesaid costs. Shipper shall have the right to intervene and protest any such filings.

18.1 Gas Research Institute (GRI) Voluntary Contribution Mechanism

(a) Purpose

GRI, an Illinois not for profit corporation, has been organized for the purpose of sponsoring Research, Development and Demonstration (RD&D) programs in the field of natural and manufactured Gas for the purpose of assisting all segments of the Gas industry in providing adequate, reliable, safe, economic and environmentally acceptable Gas service for the benefit of Gas consumers and the general public in the United States. Panhandle is a collection agent for GRI.

(b) Voluntary Contribution Mechanism

Shipper shall be permitted to make voluntary contributions to GRI in such amounts and for such GRI project(s) or project area(s) as Shipper specifies. To facilitate the voluntary collection mechanism, Panhandle will include with Shipper's invoice a procedure to permit Shipper to designate contributions for GRI RD&D Programs. The voluntary contribution invoice mechanism is not a pipeline rate, rate provision nor term or condition of service. It is included in the invoice in accordance with the January 21, 1998, Stipulation and Agreement Concerning GRI Funding approved by the Commission in Gas Research Institute, 83 F.E.R.C. 61,093 (1998), order on reh'g, 83 F.E.R.C. 61,331 (1998). Any amounts remitted to Panhandle pursuant to the voluntary contribution mechanism shall be forwarded to GRI by Panhandle as described in Section 18.1(c) herein and are not refundable by Panhandle.

(c) Remittance to GRI

Panhandle shall remit to GRI, not later than fifteen (15) Days after the receipt thereof, all monies actually collected and received by virtue of the GRI voluntary contribution mechanism, less any amounts properly payable to a Federal, State or Local authority relating to the monies received hereunder. In no event will Panhandle be required to remit to GRI amounts not actually collected, except as specified in this Section 18.1. For the amounts received through the voluntary contribution mechanism, Panhandle shall indicate to GRI the amounts applicable to specific projects and project areas, if so indicated by Shipper.

(d) Flowthrough of Refunds from GRI

To the extent Panhandle receives refunds from GRI, Panhandle will, in turn, flowback such amounts to its non-discounted firm Shippers in accordance with the Stipulation and Agreement previously described in Section 18.1(b).

RESERVED FOR FUTURE USE

GENERAL TERMS AND CONDITIONS
(Continued)

18.2 Annual Charge Adjustment Provision (ACA)

(a) Purpose

Annual charges are assessed Gas pipelines by the Commission under Part 382 of the Commission's Regulations prior to each fiscal year in order to cover the cost of the operation of the FERC. For the purpose of recovering such charges assessed Panhandle by the Commission, this Section 18.2 establishes pursuant to Section 154.402 of the Commission's Regulations an ACA Surcharge to be applicable to quantities transported under Panhandle's Rate Schedules FT, EFT, SCT, IT, EIT, LFT and HFT. This ACA Surcharge is in addition to any amounts otherwise payable to Panhandle under said Rate Schedules.

(b) Basis of the ACA Unit Charge Rate

The ACA Unit Charge Rate shall be that increment, adjusted to Panhandle's measurement base (Dekatherm) and pressure base, if required, which has been approved by valid Commission Orders approving an annual charge unit rate.

(c) Filing Procedure

The ACA Surcharge or any subsequent changes in such surcharge shall be filed by Panhandle at least thirty (30) Days prior to the proposed effective date unless for good cause shown a lesser notice period is allowed by valid Commission Orders or the establishment by the Commission of the annual charge unit rate for a particular fiscal year prohibits Panhandle from making a timely filing. The proposed effective date of filings pursuant to this subsection shall be the effective date prescribed by the Commission. Such filing shall become effective without suspension or refund obligation.

GENERAL TERMS AND CONDITIONS
(Continued)

18.3 GAS SUPPLY REALIGNMENT COSTS

(a) Purpose

This Section 18.3 establishes the means by which Panhandle shall recover its Gas Supply Realignment (GSR) Costs.

(b) Definitions

The following defines certain terms as they are used in this Section 18.3:

(1) Gas Supply Realignment (GSR) Costs are actual payments made in cash by Panhandle, or amounts for which Panhandle has incurred a written obligation or commitment to pay for buyouts, buydowns, contract reformation, payments to resolve or respond to litigation or arbitration proceedings, or payments to assign contracts that are attributable to customer elections made pursuant to 18 C.F.R. 284.14(d) and carrying charges, calculated in accordance with Section 154.501(d) of the Commission's Regulations, on actual payments from the date such payments are made to the effective date of the rate filing made to recover such payments.

(2) Initial GSR Cost Collection Period will consist of the three (3) years commencing with the effective date of the rate filing to recover GSR Costs.

(3) Carryover GSR Cost Collection Period will consist of each annual extension in accordance with Section 18.3(f) hereof to complete the full recovery of Panhandle's GSR Costs.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) Mechanisms for Recovery of GSR Costs

Ninety (90) percent of Panhandle's GSR Costs, including carrying charges, shall be recovered by means of a GSR Reservation Surcharge applicable to service under Rate Schedules FT, EFT, SCT, LFT and HFT. The GSR Reservation Surcharge applicable to service under Rate Schedule SCT shall be converted to a Volumetric Surcharge at a 52.5% load factor rate. The GSR Reservation Surcharge shall be stated on effective Tariff Sheet Nos. 4, 5, 6, 15 and 17 of Panhandle's FERC Gas Tariff Third Revised Volume No. 1, as the same may change from time to time, and shall become a part of the stated rates for services provided under such Rate Schedules.

Ten (10) percent of Panhandle's GSR Costs, including carrying charges, shall be recovered through the rates applicable to interruptible service under Rate Schedules IT and EIT as the same may change from time to time, and shall become part of the stated rates for services provided under such Rate Schedules.

Carrying Charges shall be calculated in accordance with Section 154.501(d) of the Commission's Regulations.

The provisions of this Section 18.3 shall be fully applicable to successor, replacement and new rate schedules.

(d) Filing Procedure For Initial GSR Cost Collection Period

(1) Panhandle may make one or more rate filings to recover GSR Costs from Shippers served under Rate Schedules FT, EFT, SCT, IT, EIT, LFT and HFT. An Initial GSR Cost Collection Period shall apply to each rate filing Panhandle makes to recover GSR Costs.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) The GSR Reservation Surcharge during the Initial GSR Cost Collection Period shall be designed to recover the applicable GSR Costs over the three (3) year Initial GSR Cost Collection Period using the applicable firm service design determinants underlying Panhandle's then effective rates for service under Rate Schedules FT, EFT, SCT, LFT and HFT.

The GSR Reservation Surcharge shall be based on one-third (1/3) of the applicable GSR Costs to be recovered pursuant to this Section 18.3. Such GSR Costs shall include carrying charges for the Initial GSR Cost Collection Period.

The GSR Reservation Surcharge shall be adjusted annually during the Initial GSR Cost Collection Period to reflect changes in the effective billing determinants under Rate Schedules FT, EFT, SCT, LFT and HFT. Such revisions to the GSR Reservation Surcharge will become effective twelve (12) months after the effective date of the rate filing to establish the Initial GSR Cost Collection Period or subsequent adjustment to the GSR Reservation Surcharge. At least thirty (30) Days prior to the effective date of the annual adjustment to the GSR Reservation Surcharge, Panhandle shall file with the Federal Energy Regulatory Commission and post, as defined in Section 154.2(d) of the Commission's Regulations, Tariff Sheet Nos. 4, 5, 6, 15 and 17, together with supporting computations.

(3) Rates for interruptible service under Rate Schedules IT and EIT shall be adjusted to permit the recovery of the applicable GSR Costs during the three (3) year Initial GSR Cost Collection Period using the applicable interruptible service design determinants underlying Panhandle's

then-effective rates. The adjustment to rates for interruptible service shall be based on one-third (1/3) of the applicable GSR Costs. Such GSR Costs shall include carrying costs for the Initial GSR Cost Collection Period.

(e) GSR Exit Fee

If at any time prior to the conclusion of the Initial GSR Cost Collection Period or any Carryover GSR Cost Collection Period, a Shipper under a firm Service Agreement affected by this Section 18.3 requests a modification to the Service Agreement to reduce the MDCQ or requests a termination of the Service Agreement and if Panhandle agrees to such reduction or termination, then the affected Shipper shall immediately become obligated to Panhandle for the GSR Exit Fee. The GSR Exit Fee shall equal the amount which would have been collected during the remainder of the Initial or the Carryover Cost Collection Period, as applicable, of this Section 18.3 at the level of firm service applicable to such Shipper at the effective date hereof, or the effective date of the Service Agreement whichever is later. Panhandle will invoice such amount to the affected Shipper in a direct bill within thirty (30) days after the termination or reduction in firm service rights. Invoices pursuant to this Section 18.3(e), including carrying charges calculated in accordance with Section 154.501(d) of the Commission's Regulations shall be due and payable within ten (10) days of the issuance of such invoices.

(f) Reconciliation

(1) Within ninety (90) days of the conclusion of a GSR Cost Collection Period, Panhandle shall file a limited rate filing under Section 4 of the Natural Gas Act to reconcile its GSR Costs with the actual amounts of GSR Costs recovered during such period. The actual amounts of GSR costs recovered through GSR Reservation Surcharges

under Rate Schedules FT, EFT, SCT, LFT and HFT shall be determined separately from the actual amounts of GSR Costs recovered through interruptible transportation rates under Rate Schedules IT and EIT. For purposes of these calculations, any amount by which interruptible transportation rates have been discounted (up to the amounts of GSR costs to be recovered through such rates) will serve to decrease the actual amounts of GSR Costs collected through interruptible rates; and any amount by which GSR Reservation Surcharges charged to any customer affected by this Section 18.3 have been discounted (up to the amounts of GSR costs to be recovered through such rates) pursuant to a discount agreement entered into prior to the effective date of this Section 18.3, will serve to decrease the amount of actual GSR Costs collected through GSR Reservation Surcharges. Any GSR Exit Fees will be added to the actual amounts of GSR Costs recovered through GSR Reservation Surcharges.

(2) If Panhandle's collections hereunder shall equal or exceed its GSR Costs, Panhandle shall file to terminate further collections hereunder and to refund the amount of any excess collected to all Shippers affected hereby in proportion to the principal amount of actual GSR costs which they have paid during the GSR cost collection period. Within thirty (30) days of the Commission's approval of such filing, refunds, with applicable carrying charges, shall be paid. In addition, Panhandle will submit a report to the Commission setting out a comparison of its GSR costs and the amounts collected hereunder and any repayments actually made.

(3) If Panhandle's collections hereunder are less than its GSR Costs, Panhandle shall file to recover such deficiency, including carrying charges, during the Carryover GSR Cost Collection Surcharge Period by filing with the Commission GSR Reservation Surcharges and interruptible

GENERAL TERMS AND CONDITIONS
(Continued)

Transportation rates. The GSR Reservation Charge will be determined by dividing the remaining GSR Costs attributable to firm services to be recovered through the GSR Reservation Surcharge by the design billing determinants underlying Panhandle's then-effective rates applicable to Rate Schedules FT, EFT, SCT, LFT and HFT. The remaining GSR Costs to be recovered in the interruptible transportation rates under Rate Schedules IT and EIT shall be determined by dividing the remaining GSR Costs attributable to interruptible services by the applicable interruptible service design determinants underlying Panhandle's then-effective rates. The Carryover GSR Cost Collection Period shall commence on the first day of the month following Commission approval of such filing.

GENERAL TERMS AND CONDITIONS
(Continued)

18.4 Treatment of Other Transition Costs

This Section 18.4 establishes procedures by which Panhandle will recover the costs of restructuring its services in accordance with FERC Order No. 636, Order No. 636-A and Order No. 636-B and 18 C.F.R. Part 284 other than Gas Supply Realignment Costs, the recovery of which shall be governed by Section 18.3 of these General Terms and Conditions.

(a) Costs of New Facilities

Panhandle shall be entitled to file under Section 4 of the Natural Gas Act and the Commission's Regulations and recover the capital costs and other costs incurred for, and in connection with providing the restructured services in accordance with Order No. 636, Order No. 636-A and Order No. 636-B.

(b) Stranded Costs

Panhandle has incurred costs associated with facilities and contracts to provide services under its Former Tariff. In the event the facilities and contracts related to these costs cease to be required as a result of the restructuring of service, Panhandle shall be entitled to file under Section 4 of the Natural Gas Act and the Commission's Regulations and recover such costs.

(c) Upstream Transition Costs

Panhandle shall be entitled to file under Section 4 of the Natural Gas Act and the Commission's Regulations and recover the amounts it has been billed by other pipelines attributable to their service restructurings required by Order No. 636, Order No. 636-A and Order No. 636-B to the extent such costs are not recovered pursuant to Section 18.3 of these General Terms and Conditions.

Effective Date: 06/01/2005 Status: Effective
FERC Docket: RP91-229-031

First Revised Sheet No. 316 First Revised Sheet No. 316 : Effective
Superseding: Sheet Nos. 316-318

Notice of Cancellation
Section 18.5

Notice is hereby given that effective June 1, 2005, Section 18.5 constituting Original Sheet Nos. 316, 317 and 318 of the FERC Gas Tariff, Third Revised Volume No. 1 of Panhandle Eastern Pipe Line Company, LP is cancelled.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) Definitions

The following defines certain terms as they are used in this Section 18.5:

(1) The "Trunkline/TLC Settlement Amount" shall mean that portion of the refund received by Panhandle to be credited to customers subject to the reservation and volumetric surcharges.

(2) "Trunkline/TLC Settlement Reservation Surcharge Credit", shall mean the currently effective surcharge applicable to service under Rate Schedules FT, EFT, SCT, LFT and HFT, as shown on Tariff Sheet Nos. 4, 5, 6, 15 and 17 of Third Revised Volume No. 1.

(3) "Trunkline/TLC Settlement Volumetric Surcharge Credit" shall mean the currently effective surcharge applicable to service under Rate Schedules FT, EFT, SCT, IT, EIT, LFT and HFT, as shown on each of the Tariff Sheet Nos. 4, 5, 6, 7, 8, 15 and 17 of Third Revised Volume No. 1.

(4) "Levelized Interest" shall mean the interest amount resulting from the projected amortization of the Trunkline/TLC Settlement Amount over the Section 18.5 Recovery Period in accordance with Section 154.501(d) of the Commission Regulations.

(d) Trunkline/TLC Settlement Reservation Surcharge Credit

Twenty percent (20%) of the total Trunkline/TLC Settlement Amount, including Levelized Interest, shall be returned by means of a Trunkline/TLC Settlement Reservation Surcharge Credit. The Trunkline/TLC Settlement Reservation Surcharge Credit applicable to service under Rate Schedule SCT shall be converted to a Volumetric Surcharge at a 52.5% load factor. The Trunkline/TLC Settlement Reservation Surcharge Credit shall be stated on Tariff Sheet No. 19 of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1 and shall become a part of the stated maximum rates for service provided under Rate Schedules FT, EFT, SCT and LFT.

GENERAL TERMS AND CONDITIONS
(Continued)

(e) Trunkline/TLC Settlement Volumetric Surcharge Credit

Twenty percent (20%) of the total Trunkline/TLC Settlement Amount including Levelized Interest, shall be returned by means of a Trunkline/TLC Settlement Volumetric Surcharge Credit. The Trunkline/TLC Settlement Volumetric Surcharge Credit shall be stated on Tariff Sheet No. 19 of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1 and shall become a part of the stated maximum rates for service provided under Rate Schedules FT, EFT, SCT, IT, EIT, LFT and HFT.

Effective Date: 05/17/2009 Status: Effective
FERC Docket: RP09-517-000

First Revised Sheet No. 319 First Revised Sheet No. 319
Superseding: Sheet Nos. 319-321

Notice of Cancellation
Section 18.6

Notice is hereby given that effective May 17, 2009, Section 18.6 constituting Original Sheet Nos. 319 through 321 of the FERC Gas Tariff, Third Revised Volume No. 1 of Panhandle Eastern Pipe Line Company, LP is cancelled.

GENERAL TERMS AND CONDITIONS
(Continued)

(d) Determination of the Dakota Gasification Transition Cost Surcharge

The Dakota Gasification Transition Cost Surchage shall be determined on the basis of (1) the design units underlying Panhandle's currently effective Deliverability Charge for firm service and the Monthly Inventory Charge for interruptible service for the Market Area component of Rate Schedules WS, PS and FS and the Market Area component of Rate Schedule IWS, respectively, and (2) the Dakota Gasification Transition Costs for the three (3) Months preceding the effective date of the Surcharge on an "as-billed" basis to reflect the basis of the billings submitted to Panhandle by ANR. In addition, commencing with the Surcharge to be effective on June 1, 1995, each Dakota Gasification Transition Cost Surcharge shall be adjusted as necessary to recover or to return the balance in Panhandle's Unrecovered Dakota Gasification Transition Cost Account as of two (2) Months prior to June 1 over twelve (12) billing periods beginning each June 1.

(e) Unrecovered Dakota Gasification Transition Cost Account

Panhandle shall maintain an Unrecovered Dakota Gasification Transition Cost Account to record the cummulative monthly difference between actual Dakota Gasification Transition Costs incurred and the actual amounts recovered by Panhandle for Dakota Gasification Transition Costs.

(f) Crediting of Refunds Received, Debiting of Additional Surcharges

Commencing with the effective date of this Section 18.6, Panhandle shall credit all refunds received which are related to its Dakota Gasification Transition Costs to its Unrecovered Dakota Gasification Transition Cost Account. Commencing with the effective date of this Section 18.6, Panhandle shall debit any similarly attributable additional surcharge for its Dakota Gasification Transition Costs to its Unrecovered Dakota Gasification Transition Cost Account.

GENERAL TERMS AND CONDITIONS
(Continued)

(g) Carrying Charges

Each month Panhandle shall credit or debit its Unrecovered Dakota Gasification Transition Cost Account, as appropriate, with carrying charges on the prior month's ending balance. Carrying charges shall be calculated in a manner consistent with the procedures set forth in Section 154.501(d) of the Commission's Regulations.

(h) Billing and Payment

In addition to its other applicable charges and surcharges for Market Area Storage service under Rate Schedules WS, PS, FS and IWS, Panhandle's invoices to Shippers under Rate Schedules WS, PS, FS and IWS shall include the amount for the Dakota Gasification Transition Cost Surcharge shown on Tariff Sheet Nos. 11, 12, 13 and 14. The Dakota Gasification Transition Cost Surcharge shall be billed on the basis of the Maximum Daily Withdrawal Quantity for Rate Schedules WS, PS and FS and the volumes for the Monthly Inventory Charge for Rate Schedule IWS. Shipper's obligation to pay for services provided under such Rate Schedules shall include the obligation to pay the Dakota Gasification Transition Cost Surcharge. The provisions of Section 17 hereof also shall apply to Shipper's payments of the Dakota Gasification Transition Cost Surcharge.

GENERAL TERMS AND CONDITIONS
(Continued)

18.7 Recovery of Miscellaneous Stranded Costs

(a) Purpose

This Section 18.7 establishes the means by which Panhandle shall recover Miscellaneous Stranded Costs in accordance with FERC Order No. 636 et seq., using reservation and volumetric surcharges.

(b) Applicability

The Miscellaneous Stranded Cost Reservation and Volumetric Surcharges shall apply as specified herein below commencing with the effectiveness of this Section 18.7 or the effective date of the filing made to recover the Miscellaneous Stranded Costs and continuing for a period of three (3) years to those shippers served under Rate Schedules FT, EFT, SCT, IT, EIT, LFT and HFT and thereafter for such time as is described in Section 18.7(g).

(c) Definitions

The following defines certain terms as they are used in this Section 18.7:

(1) "Miscellaneous Stranded Cost Reservation Surcharge" shall mean the currently effective surcharge applicable to service under Rate Schedules FT, EFT, SCT, LFT and HFT as shown on each of Tariff Sheet Nos. 4, 5, 6, 15 and 17 of Third Revised Volume No. 1.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) "Miscellaneous Stranded Cost Volumetric Surcharge" shall mean the currently effective surcharge applicable to service under Rate Schedules IT and EIT, as shown on Tariff Sheet Nos. 7 and 8 of Third Revised Volume No. 1.

(3) "Section 18.7 Recovery Period" shall mean the three (3) year period which shall commence upon the effective date of the filing to recover the eligible Miscellaneous Stranded Costs.

(4) "Section 18.7 Reconciliation Recovery Period" shall mean the twelve (12) months commencing on the first day of the month following Commission approval of Panhandle's Reconciliation filing as provided for in Section 18.7(g).

(5) "Levelized Interest" shall mean the interest amount resulting from the projected amortization of the Miscellaneous Stranded Costs over the Section 18.7 Recovery Period in accordance with Section 154.501(d) of the Commission's Regulations.

(d) Mechanism for Recovery of Miscellaneous Stranded Costs

Ninety percent (90%) of Panhandle's Miscellaneous Stranded Costs, including Levelized Interest, shall be recovered by means of the Miscellaneous Stranded Costs Reservation Surcharge. The Miscellaneous Stranded Costs Reservation Surcharge applicable to service under Rate Schedule SCT shall be converted to a Volumetric Surcharge at a 52.5% load factor. The Miscellaneous Stranded Costs Reservation Surcharge shall be stated on effective Tariff Sheet Nos. 4, 5, 6, 15 and 17 of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1 and shall become a part of the stated rates for service provided under such Rate Schedules.

GENERAL TERMS AND CONDITIONS
(Continued)

Ten percent (10%) of Panhandle's Miscellaneous Stranded Costs, including Levelized Interest, shall be recovered by means of the Miscellaneous Stranded Cost Volumetric Surcharge applicable to service under Rate Schedules IT and EIT. The Miscellaneous Stranded Cost Volumetric Surcharge shall be stated on effective Tariff Sheet Nos. 7 and 8 of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1 and shall become a part of the stated rates for service provided under such Rate Schedules.

On or before September 1 of each year during the Section 18.7 Recovery Period, Panhandle will file with the Commission such updates as otherwise are required by this Section 18.7 to the Miscellaneous Stranded Cost Reservation Surcharge applicable to service under Rate Schedules FT, EFT, SCT, LFT and HFT and the Miscellaneous Stranded Cost Volumetric Surcharge applicable to service under Rate Schedules IT and EIT with such updated Surcharges to be effective on the immediately following October 1. Panhandle will provide 30 days notice of such changes to the Miscellaneous Stranded Cost Reservation and Miscellaneous Stranded Cost Volumetric Surcharge.

The provisions of this Section 18.7 shall be fully applicable to successor, replacement and new rate schedules.

(e) Filing Procedures for Miscellaneous Stranded Costs

The Miscellaneous Stranded Cost Reservation Surcharge during the Section 18.7 Recovery Period shall be designed to recover ninety percent (90%) of the Miscellaneous Stranded Costs over three (3) years using the applicable firm service design determinants underlying Panhandle's then effective rates for service under Rate Schedules FT, EFT, SCT, LFT and HFT.

The Miscellaneous Stranded Cost Volumetric Surcharge during the Section 18.7 Recovery Period shall be designed to recover ten percent (10%) of the Miscellaneous Stranded Costs over three (3) years using the applicable interruptible service design determinants underlying Panhandle's then effective rates for service under Rate Schedules IT and EIT.

GENERAL TERMS AND CONDITIONS
(Continued)

(f) Miscellaneous Stranded Cost Exit Fee

If at any time prior to the conclusion of recoveries of costs pursuant to this Section 18.7, a Shipper under a firm Service Agreement affected by this Section 18.7 requests a modification to the Service Agreement to reduce the MDCQ or requests a termination of the Service Agreement and if Panhandle agrees to such reduction or termination, then such Shipper shall become obligated to Panhandle for payment of the Miscellaneous Stranded Cost Exit Fee, as mutually agreed to by Panhandle and such Shipper. Within thirty (30) days after any such termination, Panhandle shall send an invoice for amounts due hereunder from a Shipper affected by this Section 18.7(f) and payment shall be due within ten (10) days of the issuance of such invoices. Panhandle shall include amounts due hereunder from a Shipper with reduced MDCQ with the Shipper's first invoice for continuing service after the effectiveness of such reduction. Payment of a Miscellaneous Stranded Cost Exit Fee by a Shipper reducing its MDCQ shall not serve to extinguish the obligation of such Shipper for Miscellaneous Stranded Cost Reservation Surcharges applicable to the remainder of its MDCQ. A firm Shipper which exercises a contractual right to reduce or terminate its contract will not be subject to a Miscellaneous Stranded Cost Exit Fee to the extent of such reduction or termination.

(g) Reconciliation Provisions

(1) Within ninety (90) days of the conclusion of the Section 18.7 Recovery Period, Panhandle shall reconcile its Miscellaneous Stranded Costs with the actual amounts of Miscellaneous Stranded Costs recovered during such period. The actual amounts of Miscellaneous Stranded Costs recovered through Miscellaneous Stranded Cost Reservation Surcharges under Rate Schedule FT, EFT, SCT, LFT and HFT shall be determined separately from the actual amounts of Miscellaneous Stranded Costs recovered through Miscellaneous Stranded Cost Volumetric Surcharges under Rate Schedules IT and EIT.

GENERAL TERMS AND CONDITIONS
(Continued)

(2) If Panhandle's actual collections hereunder shall equal or exceed its Miscellaneous Stranded Costs, Panhandle shall file to terminate further collections hereunder and to refund the amount of any excess collected to all Shippers affected hereby in proportion to the principal amount of actual Miscellaneous Stranded Costs which they have paid during the Section 18.7 Recovery Period. Within thirty (30) days of the Commission's approval of Panhandle's filing, refunds, with applicable carrying costs computed in accordance with Section 154.501(d) of the Commission's Regulations, shall be paid. In addition, Panhandle will submit a report to the Commission setting out a comparison of its Miscellaneous Stranded Costs and the actual amounts collected hereunder and any repayments actually made.

(3) If Panhandle's actual collections hereunder are less than its Miscellaneous Stranded Costs, Panhandle shall file to recover such deficiency, including carrying charges computed in accordance with Section 154.501(d) of the Commission's Regulations, during the Section 18.7 Reconciliation Period by means of Miscellaneous Stranded Cost Reservation Surcharges and Miscellaneous Stranded Cost Volumetric Surcharges. The Miscellaneous Stranded Cost Reservation Surcharge shall be determined by dividing the remaining Miscellaneous Stranded Costs attributable to firm services by the design billing determinants underlying Panhandle's then-effective rates applicable to service under Rate Schedules FT, EFT, SCT, LFT and HFT. The Miscellaneous Stranded Cost Reservation Surcharge under Rate Schedule SCT shall be converted to a Volumetric Surcharge at a 52.5% load factor. The Miscellaneous Stranded Cost Volumetric Surcharge shall be determined by dividing the remaining Miscellaneous Stranded Costs attributable to interruptible services by the design billing determinants underlying Panhandle's then-effective rates for service under Rate Schedules IT and EIT.

GENERAL TERMS AND CONDITIONS
(Continued)

19. WARRANTY AND ASSIGNMENTS

19.1 Except as otherwise provided in the Rate Schedule under which Shipper is receiving service, both Shipper and Panhandle warrant that it shall, at the time of delivery of Gas to the other, have good title to or good right to deliver all such Gas, and that it shall deliver, or cause to be delivered, such Gas free from all liens, encumbrances and claims whatsoever. Except as provided in Section 17.4 above, both Panhandle and Shipper shall, as to the Gas it delivers or causes to be delivered to the other, indemnify and save the other harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said Gas and/or to royalties, taxes, fees or charges thereon.

19.2 As to all matters within its actual or imputed control, Shipper represents and warrants that service hereunder and all arrangements incident thereto conform to applicable regulations. Shipper hereby agrees to indemnify and hold Panhandle harmless against any and all actions, suits or proceedings concerning such service or arrangements, which are brought before or instituted by any authority having jurisdiction if and to the extent that such actions result from or are based upon allegations of fact that are inconsistent with the representations herein made by Shipper or any failure of the warranties herein given by Shipper.

19.3 Both Panhandle and Shipper may assign or pledge Service Agreements and all rights and obligations thereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except in accordance with Sections 15 and 16 herein, neither Panhandle nor Shipper shall assign a Service Agreement or any of its rights thereunder unless it shall first have obtained the written consent of the other(s). Such consent shall not be unreasonably withheld.

GENERAL TERMS AND CONDITIONS
(Continued)

20. FORCE MAJEURE

In the event, to the extent, and for so long as either Panhandle or Shipper is unable, by reason of force majeure, to carry out its obligations hereunder, in whole or in part, the obligations of either of Panhandle or Shipper, other than to make payment of reservation fees or capacity charges which shall become due, shall be suspended, in whole or in part, and neither Panhandle nor Shipper shall be liable in damages to the other as a result of Force Majeure. "Force Majeure," as employed herein, shall mean any cause, whether of the kind herein enumerated or otherwise, not within the control of either Panhandle or Shipper claiming suspension, and which by the exercise of due diligence, either Panhandle or Shipper has been unable to prevent or overcome, including without limitation acts of God, the government including the issuance of rules or orders which serve to frustrate or prevent the performance of Panhandle, or a public enemy; strikes, lockouts, or other industrial disturbances; wars, blockades, or civil disturbances of any kind; epidemics, landslides, hurricanes, washouts, tornadoes, storms, earthquakes, lightning, fires, explosions, arrests, and restraints of governments or people; freezing of, breakage or accident to, or the necessity for making repairs or alterations to wells, machinery or lines of pipe; partial or entire failure of wells; and the inability of either Panhandle or Shipper to acquire, or the delays on the part of either of Panhandle or Shipper in acquiring, at reasonable cost and after the exercise of reasonable diligence: (a) any servitudes, rights of way grants, permits, or licenses; (b) any materials or supplies for the construction or maintenance of facilities; or (c) any permits or permissions from any governmental agency; if such are required to enable either of Panhandle or Shipper to fulfill its obligations hereunder. Additionally, Panhandle shall be excused in whole or in part, from its performance for inability to obtain Transportation from or through third party pipelines. Either Panhandle or Shipper claiming force majeure shall give to the other(s) notice and full particulars of such force majeure by telephone or facsimile as soon as reasonably possible after the occurrence of the case relied on, and shall remedy such inability to perform with all reasonable dispatch; provided, however, that such requirement or remedy shall not require the settlement of strikes or lockouts by accession to the demands of those opposing either of Panhandle or Shipper when such course is inadvisable in the discretion of either of Panhandle or Shipper.

GENERAL TERMS AND CONDITIONS
(Continued)

21. TERMINATION FOR DEFAULT

If either Panhandle or Shipper shall fail to perform any of the covenants or obligations imposed upon it or them under and by virtue of a Service Agreement hereunder, which obligations have not been suspended pursuant to Section 20 herein, then in such event the other party may at its option terminate such Service Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default stating specifically the cause for terminating the Service Agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have 30 Days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice for terminating the agreement, and if within said period of 30 Days the party in default does so remove and remedy said cause or causes and fully indemnify the party not in default for any and all consequences of such breach, by a good and sufficient indemnity bond or otherwise, then such notice shall be withdrawn and the Service Agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes or does not so indemnify the party giving the notice for any and all consequences of such breach, within said period of 30 Days, then, after any necessary authorization by regulatory bodies having jurisdiction, the Service Agreement shall become null and void from and after the expiration of said period, provided that notice of termination has not been withdrawn prior thereto. Any cancellation of such Service Agreement pursuant to the provisions of this paragraph shall be without prejudice to the right of Panhandle to collect any amounts then due to it prior to the time of cancellation, and shall be without prejudice to the obligation of Panhandle and Shipper to balance receipts and deliveries of Gas pursuant to the Service Agreement, and without waiver of any remedy to which the party not in default may be entitled for violations of such Service Agreement.

GENERAL TERMS AND CONDITIONS
(Continued)

22. REGULATIONS

These General Terms and Conditions, the Rate Schedules to which they apply and any executed Service Agreement for service, as well as the respective obligations of the parties hereunder 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.

GENERAL TERMS AND CONDITIONS
(Continued)

23. OPERATING CONDITIONS IN CONJUNCTION WITH AFFILIATES

23.1 All terms and conditions contained herein shall be applied in a uniform and nondiscriminatory manner consistent with Part 358 of the Commission's Regulations.

23.2 Except as permitted in Part 358 of the Commission's Regulations or otherwise permitted by Commission order, Panhandle's transmission function employees will function independently of its marketing function employees.

23.3 Panhandle will post on the Web Site the information required in Part 358 of the Commission's Regulations.

23.4 Panhandle will provide nondiscriminatory access to all sources of supply in accordance with Part 284 of the Commission's regulations and will not give Shippers of any gathering affiliate undue preference over Shippers of nonaffiliated gatherers or other customers in scheduling, transportation, storage or curtailment priority.

Panhandle will not condition or tie its agreement to provide transportation service to an agreement by the producer, customer, end-user, or Shipper relating to any service by any gathering affiliate, any services by it on behalf of any gathering affiliate, or any services in which a gathering affiliate is involved.

GENERAL TERMS AND CONDITIONS
(Continued)

24. FUEL REIMBURSEMENT ADJUSTMENT

The Fuel Reimbursement Percentages under Rate Schedules FT, EFT, SCT, IT, EIT, IOS, WS, PS, FS, IIOS, IWS, LFT and HFT shall be adjusted downward to reflect reductions and may be adjusted upward to reflect increases in fuel usage and lost and unaccounted for Gas in accordance with this Section 24.

24.1 Filing of Fuel Reimbursement Adjustment

(a) Effective Date of Adjustment

The effective date of each Fuel Reimbursement Adjustment shall be November 1 and April 1.

(b) Filing Procedure

At least thirty 30 Days prior to the effective date of adjustment, Panhandle shall file with the Commission and post, as defined by Section 154.2(d) of the Commission's Regulations, a schedule of effective Fuel Reimbursement Quantities, as determined in accordance with Section 24.2 hereof, together with supporting documentation. Such filing shall be in lieu of any other rate change filing required by the Commission's Regulations under the Natural Gas Act.

(c) Fuel Reimbursement Adjustment Period

The Fuel Reimbursement Adjustment Period shall be billing periods beginning with each effective Date of Adjustment.

24.2 Computation of Effective Fuel Reimbursement Percentage

The effective Fuel Reimbursement Percentage shall be the sum of the current Fuel Reimbursement Percentage and the Annual Fuel Reimbursement Surcharge.

GENERAL TERMS AND CONDITIONS
(Continued)

24.3 Computation of Current Fuel Reimbursement Percentage

The current Fuel Reimbursement Percentage shall be determined on the basis of (1) the estimated Quantities of Gas delivered to Panhandle for the account of Shippers under Rate Schedules FT, EFT, SCT, IT, EIT, IOS, WS, PS, FS, IIOS, IWS, LFT and HFT and (2) the projected Quantities of Gas that shall be required for fuel usage and the lost and unaccounted for Gas.

24.4 Computation of the Annual Fuel Reimbursement Surcharge

(a) The Annual Fuel Reimbursement Surcharge shall be computed by dividing the balance four (4) Months prior to November 1 of the Deferred Fuel Reimbursement Account by Panhandle's estimated Quantities of Gas for Transportation and Storage under Rate Schedules FT, EFT, SCT, IT, EIT, IOS, WS, PS, FS, IIOS, IWS, LFT and HFT for the Recovery Period.

(b) The Recovery Period for the Annual Fuel Reimbursement Surcharge shall be the 12 billing Months beginning November 1.

(c) Panhandle shall maintain a Deferred Fuel Reimbursement Account with appropriate subaccounts, beginning with the effective date of this Section 24. For each billing Month, the applicable subaccounts shall be increased or decreased for a positive or negative change in Fuel Reimbursement for the billing Month.

(d) A change in Fuel Reimbursement for each billing Month shall be the difference between (1) the applicable currently effective Fuel Reimbursement percentage for the billing Month multiplied by Panhandle's Transportation Quantity received and Storage Quantities injected and withdrawn during the billing Month and (2) the actual Quantities of Gas expended for fuel usage and lost and unaccounted for Gas during the billing Month.

25. FLOW THROUGH OF CASH-OUT REVENUES AND PENALTIES IN EXCESS OF COSTS

25.1 Flow Through of Cash-Out Revenues in Excess of Costs

(a) This Section 25.1 of the General Terms and Conditions sets forth the procedures under which Panhandle will flow through to Shippers or carry forward, for each annual billing period any excess of revenues received over costs incurred under the cash-out provisions in Sections 12.11(a) and 12.11(b).

(b) The annual rate adjustment period applicable to this Section 25.1 shall be the twelve month period commencing each May 1, and ending the following April 30.

(c) The net revenues received pursuant to the provisions of Section 25.1(a) shall be the amount collected for the twelve (12) month period ending three months prior to May 1. If the revenues received exceed the costs incurred, then Panhandle will calculate a Reservation Charge credit that will reduce the maximum Reservation Charge applicable to Rate Schedules FT, EFT, SCT, LFT and HFT and a Commodity Charge credit that will reduce the maximum Commodity Charge applicable to Rate Schedules IT and EIT for a 12 month period which shall commence May 1.

(d) If the revenues received are less than the costs incurred, then Panhandle shall carry forward the net underrecoveries to the subsequent annual billing period and may offset such net underrecoveries against any future net overrecoveries that may occur in a subsequent annual billing period.

GENERAL TERMS AND CONDITIONS
(Continued)

25. FLOW THROUGH OF CASH-OUT REVENUES AND PENALTIES

25.1 Flow Through of Cash-Out Revenues in Excess of Costs

(a) This Section 25.1 of the General Terms and Conditions sets forth the procedures under which Panhandle will flow through to Shippers or carry forward, for each annual billing period any excess of revenues received over costs incurred under the cash-out provisions in Sections 12.11(a) and 12.11(b).

(b) The annual rate adjustment period applicable to this Section 25.1 shall be the twelve month period commencing each May 1, and ending the following April 30.

(c) The net revenues received pursuant to the provisions of Section 25.1(a) shall be the amount collected for the twelve (12) month period ending three months prior to May 1. If the revenues received exceed the costs incurred, then Panhandle will calculate a Reservation Charge credit that will reduce the maximum Reservation Charge applicable to Rate Schedules FT, EFT, SCT, LFT and HFT and a Commodity Charge credit that will reduce the maximum Commodity Charge applicable to Rate Schedules IT and EIT for a 12 month period which shall commence May 1.

(d) If the revenues received are less than the costs incurred, then Panhandle shall carry forward the net underrecoveries to the subsequent annual billing period and may offset such net underrecoveries against any future net overrecoveries that may occur in a subsequent annual billing period.

GENERAL TERMS AND CONDITIONS
(Continued)

(e) Panhandle will calculate the Reservation Charge Credit by dividing the net revenues calculated above by the sum of (1) MDCQ under Rate Schedules FT, EFT, SCT, LFT and HFT in effect at the end of each annual billing period and (2) the equivalent of MDCQ applicable to the actual IT and EIT volumes for the annual billing period calculated at a 100% load factor rate. The Reservation Charge Credit applicable to service under Rate Schedule SCT shall be converted to a volumetric credit at a 52.5% load factor rate. The Commodity Charge Credit applicable to services under Rate Schedules IT and EIT shall be the Reservation Charge Credit converted to a volumetric credit at a 100% load factor rate. The Reservation Charge Credit shall be computed to the nearest cent. No Reservation Charge Credit shall be made unless the change in rates is at least one (1) cent. The Commodity Charge Credit shall be computed to the nearest one hundredth of a cent. No Commodity Charge Credit shall be made unless the change in rates is at least .01 cents.

(f) If the computations in Section 25.1(e) above do not produce a credit large enough to effect a change in rates, the net revenues for the annual billing period will be carried over to the next annual billing period and shall accrue interest in a manner consistent with Section 154.501(d) of the Commission's Regulations.

25.2 Flow Through of Penalties in Excess of Costs

(a) This Section 25.2 of the General Terms and Conditions sets forth the procedures under which Panhandle will flow through to firm Shippers any penalties in excess of costs collected pursuant to Sections 9.5(b), 12.11(g), 12.11(h), 12.16, 12.17 and 27.4(b) of the General Terms and Conditions, Section 3.6(c) of Rate Schedules EFT, SCT and HFT, Section 3.6 of Rate Schedule EIT, Sections 3.6(d) and (e) of Rate Schedule LFT and Section 4(a) of Rate Schedule GDS. Panhandle will reduce such penalties for reasonable incremental out-of-pocket costs incurred as a direct result of the Shipper's conduct which was penalized pursuant to these Sections.

(b) The crediting period applicable to this Section 25.2 shall be monthly.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) Credit to Non-Offending Shippers

(i) Panhandle will net all revenues received pursuant to Sections 9.5(b), 12.11(g) 12.11(h), 12.16 and 12.17 of the General Terms and Conditions, Section 3.6(c) of Rate Schedules EFT, SCT and HFT, Section 3.6 of Rate Schedule EIT, Sections 3.6(d) and (e) of Rate Schedule LFT and Section 4(a) of Rate Schedule GDS against the reasonable incremental out-of-pocket costs incurred for such revenues. Panhandle will credit the net amount to those Shippers under Rate Schedules FT, EFT, SCT, LFT and HFT that were not billed pursuant to Sections 9.5(b), 12.11(g) 12.11(h), 12.16 and 12.17 of the General Terms and Conditions, Section 3.6(c) of Rate Schedules EFT, SCT and HFT, Section 3.6 of Rate Schedule EIT, Sections 3.6(d) and (e) of Rate Schedule LFT and Section 4(a) of Rate Schedule GDS, during the applicable month ("Non-Offending Shippers"). Each Non-Offending Shipper's credit shall be based on (a) 0.5 times the ratio of the actual revenues billed for services to the Non-Offending Shipper during the month to the actual revenues billed for services to all Non-Offending Shippers and (b) 0.5 times the ratio of the MDCQ of the Non-Offending Shipper for the month to the total MDCQ of all Non-Offending Shippers. Each Non-Offending Shipper's credit shall be paid with a billing adjustment, including supporting documentation, to the billing of charges for service during the following month. Panhandle shall file a report with the Commission twelve (12) months after this Section 25.2(c)(i) becomes effective showing the penalty revenues, the costs netted against the penalty revenues, and the resulting penalty revenue credits for each of the twelve months. For each type of penalty in such report, Panhandle shall also (1) identify its incremental out-of-pocket costs that were caused by shipper misconduct and the shipper misconduct that caused the costs; (2) account separately for such costs; and (3) provide supporting documentation of the costs and the shipper misconduct that caused them.

GENERAL TERMS AND CONDITIONS
(Continued)

(ii) Panhandle will net all revenues received pursuant to Section 27.4(b) against the reasonable incremental out-of-pocket costs incurred for such revenues. Panhandle will credit the net amount to those Non-Offending Shippers under Rate Schedules WS, PS and FS that were not billed pursuant to Section 27.4(b), during the applicable month. Each Non-Offending Shipper's credit shall be based on (a) 0.5 times the ratio of the actual revenues billed for services to the Non-Offending Shipper during the month to the actual revenues billed for services to all Non-Offending Shippers and (b) 0.5 times the ratio of the MDWQ of the Non-Offending Shipper for the month to the total MDWQ of all Non-Offending Shippers. Each Non-Offending Shipper's credit shall be paid with a billing adjustment, including supporting documentation, to the billing of charges for service during the following month. Panhandle shall file a report with the Commission twelve (12) months after this Section 25.2(c)(ii) becomes effective showing the penalty revenues, the costs netted against the penalty revenues, and the resulting penalty revenue credits for each of the twelve months. In such report, Panhandle shall also (1) identify its incremental out-of-pocket costs that were caused by shipper misconduct and the shipper misconduct that caused the costs; (2) account separately for such costs; and (3) provide supporting documentation of the costs and the shipper misconduct that caused them.

Section 26 is
Reserved For Future Use.

GENERAL TERMS AND CONDITIONS
(Continued)

27. MISCELLANEOUS

27.1 Service Agreements shall be governed by and interpreted in accordance with the laws of the State of Texas, except for any conflict of laws provisions thereof which would require the application of the laws of another jurisdiction.

27.2 The Service Agreements create no rights in third parties.

27.3 Panhandle may waive any rights hereunder or any obligations of Shipper on a basis which is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

27.4(a) Storage service provided by Panhandle under Rate Schedule PS, and Rate Schedules WS, FS and IWS if designated by Shipper as Market Area Storage related, shall be provided from Storage capacity available to Panhandle from its Market Area Storage Facilities, and no injections or withdrawals for the account of any Shipper under such Rate Schedules shall be identified with any particular Market Area Storage Facility provided, however, when a Shipper designates as the WS or PS Point an off-system Market Area Storage Facility Panhandle has leased from a third party, injections and withdrawals will be identified with that particular facility. Storage service provided by Panhandle under Rate Schedules IOS and IIOS and Rate Schedules WS, FS and IWS if designated by Shipper as Field Area Storage related shall be provided from Storage capacity available to Panhandle from its Field Area Storage Facilities, and no injections or withdrawals for the account of any Shipper under such Rate Schedules shall be identified with any particular Field Area Storage Facility.

(b) If Shipper designates as a WS or PS Point an off-system Market Area Storage Facility Panhandle has leased from a third party, then, in addition to all the requirements set forth in Rate Schedules WS, PS, FS or IWS, as applicable, Shipper shall, not less than ten (10) Business Days prior to the commencement of each Storage injection and withdrawal cycle, enter into an operating

plan with Panhandle to coordinate Storage injections and withdrawals. The operating plan shall include the Shipper's planned injections into Storage during the Summer Period and planned withdrawals from Storage during the Winter Period, which shall be consistent with both the terms and conditions applicable to the Rate Schedule under which Panhandle provides Storage service to the Shipper and the terms and conditions applicable to the agreement under which the third party provides Storage service to Panhandle and such other information concerning the Storage activity which Panhandle deems necessary to efficiently provide service to all Shippers. Subject to the provisions of Rate Schedules WS, PS, FS and IWS, as applicable, Shipper may nominate injections and withdrawals which do not comport with the plan it previously provided Panhandle so long as such deviation does not interfere with Panhandle's ability to provide service to other Shippers. If necessary to maintain operational control of its system, Panhandle may order the Shipper to adjust its nominations so as to inject Gas into Storage, cease injecting Gas into Storage, withdraw Gas from Storage, or cease withdrawing Gas from Storage, as applicable under the circumstances existing at the time such order is issued, and Shipper shall be obligated to comply with such order. Panhandle shall provide Shipper with as much advance notice of the order as is reasonable in the then existing circumstances through the Messenger system, the Web Site and by telephone, and facsimile or via e-mail communication. Generally, the notice will be issued by 11:00 a.m. Central Time on the Day before the order is to become effective. The order will become effective at the commencement of the Day. When operating conditions so require, Panhandle may issue the notice after 11:00 a.m. and may provide that the order will become effective before the commencement of the Day. The notice will provide the time and date the order is to become effective,

GENERAL TERMS AND CONDITIONS
(Continued)

the time the order is expected to remain in effect, the action required of the Shipper, the reason for issuing the order, together with operating variables providing the basis for issuing the order, and any other information which may be required in the circumstances. Panhandle will post notification and provide updated information concerning the need for the order on the Messenger system and the Web Site at the commencement of the Day until Panhandle notifies the Shipper that the order is no longer effective. If Shipper does not adjust its injection or withdrawal nominations as required by the order from Panhandle, a penalty of $25 per Dt. shall apply to the variance from the order until such time as the Shipper complies with the order; provided, however, in no event will this penalty apply until Shipper has had at least two (2) hours to take the actions required to comply with the order. Within a reasonable time after the order terminates, Panhandle will post on the Messenger system and the Web Site a report detailing the conditions that required the issuance and termination of the order.

(c) For purposes of reporting Storage inventories for state ad valorem taxes, the total inventories of Gas in Market Area Storage Facilities and Field Area Storage Facilities in any particular state shall be determined. Inventories in Market Area Storage Facilities shall be allocated to all Shippers with inventories under Rate Schedules PS, and, if provided from Market Area Storage Facilities, WS, FS and IWS, based on the ratio of total inventories for the state divided by total Storage inventories for all states times the Shipper's total Stored Volume under such Rate Schedules; inventories in Field Area Storage Facilities shall be allocated to all Shippers with inventories under Rate Schedules IOS, IIOS and, if provided from Market Area Storage Facilities, WS, FS and IWS, based on the ratio of total Storage inventories for the state divided by total Storage inventories for all states times the Shipper's total Stored Volume under such Rate Schedules.

GENERAL TERMS AND CONDITIONS
(Continued)

27.5 After the effective date of this Tariff, Panhandle may from time to time sell Gas as required by Section 3 of Rate Schedule PS, Sections 12.11 and 12.13(b) of the General Terms and Conditions, or to dispose of excess Storage inventory. The point of sale for all such sales shall be as specified in this Section 27.5:

(a) The IOS Point for sales of excess storage inventory, for sales pursuant to Section 3 of Rate Schedule PS and sales pursuant to Section 12.11 of these General Terms and Conditions, if the imbalance is associated with service under Rate Schedules FT, EFT, SCT, GDS, IT, EIT, LFT or HFT;

(b) The Point of Delivery for sales of unauthorized deliveries pursuant to Section 12.13(b) of these General Terms and Conditions.

GENERAL TERMS AND CONDITIONS
(Continued)

(c) The point where the Gas to be sold enters Panhandle's system for all other sales.

The purchaser shall be responsible for the Transportation of the Gas from the point of sale.

27.6 Panhandle has adopted all of the Business Practices and Electronic Communication Standards which are incorporated in 18 CFR 284.12(a). Notwithstanding this Section 27.6, Panhandle shall adhere to the NAESB standards as modified by Order No. 717. In addition to the standards which are reflected in other provisions of this tariff, the following NAESB WGQ standards, definitions and data sets are incorporated herein by reference.

Version 1.8, September 30, 2006: 0.2.1 through 0.2.3, 0.3.1 through 0.3.15, 0.4.1, 1.2.1 through 1.2.3, 1.2.5, 1.2.6, 1.2.8 through 1.2.19, 1.3.2(vi), 1.3.3, 1.3.4, 1.3.6, 1.3.13 through 1.3.18, 1.3.20 through 1.3.29, 1.3.31 through 1.3.77, 1.3.79, 1.4.1 through 1.4.7, 2.2.1 through 2.2.5, 2.3.1 through 2.3.4, 2.3.6 through 2.3.13, 2.3.15, 2.3.17, 2.3.19 through 2.3.23, 2.3.25, 2.3.27, 2.3.28 through 2.3.35, 2.3.42 through 2.3.44, 2.3.48, 2.3.50 through 2.3.65, 2.4.1 through 2.4.18, 3.3.1 through 3.3.14, 3.3.16 through 3.3.18, 3.3.20 through 3.3.26, 3.4.1 through 3.4.4, 4.2.1 through 4.2.20, 4.3.1 through 4.3.3, 4.3.5, 4.3.16 through 4.3.18, 4.3.20, 4.3.22 through 4.3.36, 4.3.38 through 4.3.62, 4.3.65 through 4.3.69, 4.3.72 through 4.3.76, 4.3.78 through 4.3.87, 4.3.89 through 4.3.93, 5.2.1 through 5.2.3, 5.3.7, 5.3.12, 5.3.17 through 5.3.25, 5.3.27 through 5.3.54, 5.3.56 through 5.3.60, 5.4.1 through 5.4.23, 10.2.1 through 10.2.38, 10.3.1, and 10.3.3 through 10.3.25.

27.7 Panhandle may, from time to time, enter into agreements with other interstate or intrastate pipeline companies for capacity (off-system capacity). In the event that Panhandle acquires off-system capacity, Panhandle will provide service to Shippers with the off-system capacity pursuant to Panhandle's open access tariff and subject to Panhandle's Commission-approved rates, as such tariff and rates may change from time to time. For purposes of transactions entered into subject to this Section 27.7, the "shipper must have title" requirement is waived.

RESERVED FOR FUTURE USE

SHEET NOS. 345 THROUGH 499

RESERVED FOR FUTURE USE

RATE SCHEDULE FT
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

This contract is Firm Seasonal Storage Related _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Shipper covenant and agree as follows:

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery, on a firm basis, quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity (MDCQ), stated on Exhibit A.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule FT.

Exhibit A hereto states the Point(s) of Receipt and Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof. Shipper's Maximum Daily Contract Quantity shall be assigned among the primary Point(s) of Receipt set out on Exhibit A, as well as among the primary Point(s) of Delivery set out on Exhibit A. Such assignment may be changed, subject to the availability of capacity, in accordance with the General Terms and Conditions.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating a firm Point(s) of Receipt or firm Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities as defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such firm Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide firm Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule FT filed with the Commission, as such rates and charges and Rate Schedule FT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule FT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule FT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MDCQ.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit C hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule FT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule FT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule FT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit B hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule FT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule FT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule FT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic scheduling of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule FT

and _____

Contract No. _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule FT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule FT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule FT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule FT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule FT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Firm Service
Under Rate Schedule FT
Contract No.

CUSTOMIZED RESERVATION PATTERN ELECTION

_____ (Shipper) hereby elects the Customized Reservation Pattern option in accordance with Section 3.10 of Panhandle's Rate Schedule FT and hereby notifies Panhandle that it desires to be billed, and agrees to pay, the Reservation Charges elected from time to time for the period commencing November 1, _____ through October 31, _____.

Shipper acknowledges that this election is an alternative to the uniform monthly billing of reservation charges for Rate Schedule FT set forth on effective Tariff Sheet No. 4, as revised from time to time, and that Shipper's election shall constitute its agreement to pay the otherwise applicable charges according to the payment schedule set forth in its election including such additional charges as may be required to ensure that the total applicable annual Reservation Charge obligations are paid in full. Shipper's election constitutes its waiver of reliance on uniform monthly billing requirements otherwise applicable for the affected months. Shipper hereby indemnifies Panhandle against and holds Panhandle harmless for any claims of Shipper or any person claiming through Shipper as to rights to billing different from those elected by Shipper.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RESERVED FOR FUTURE USE

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT C

Transportation Agreement
For
Firm Service
Under Rate Schedule FT
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule FT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule FT set forth on effective Tariff Sheet No. 4, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule FT.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT C DATED: _____

RATE SCHEDULE FT (Continued)
FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Firm Service
Under Rate Schedule FT
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule FT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule FT set forth on effective Tariff Sheet No. 4, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule FT.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RATE SCHEDULE EFT
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP, (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

This contract is Firm Seasonal Storage Related _____

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery, on a firm basis, quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity (MDCQ), stated on Exhibit A.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule EFT.

Exhibit A hereto states the Point(s) of Receipt and Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof. Shipper's Maximum Daily Contract Quantity shall be assigned among the primary Point(s) of Receipt set out on Exhibit A, as well as among the primary Point(s) of Delivery set out on Exhibit A.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating a firm Point(s) of Receipt or firm Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities as are defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such firm Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide firm Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule EFT filed with the Commission, as such rates and charges and Rate Schedule EFT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule EFT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule EFT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MDCQ.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit C hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule EFT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule EFT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule EFT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit B hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule EFT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule EFT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule EFT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic nominations of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule EFT

and _____

Contract No. _____

Maximum Daily Contract Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule EFT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule EFT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule EFT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule EFT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule EFT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Enhanced Firm Service
Under Rate Schedule EFT
Contract No.

CUSTOMIZED RESERVATION PATTERN ELECTION

_____ (Shipper) hereby elects the Customized Reservation Pattern option in accordance with Section 3.10 of Panhandle's Rate Schedule EFT and hereby notifies Panhandle that it desires to be billed, and agrees to pay, the Reservation Charges elected from time to time for the period commencing November 1, _____ through October 31, _____.

Shipper acknowledges that this election is an alternative to the uniform monthly billing of reservation charges for Rate Schedule EFT set forth on effective Tariff Sheet No. 5, as revised from time to time, and that Shipper's election shall constitute its agreement to pay the otherwise applicable charges according to the payment schedule set forth in its election including such additional charges as may be required to ensure that the total applicable annual Reservation Charge obligations are paid in full. Shipper's election constitutes its waiver of reliance on uniform monthly billing requirements otherwise applicable for the affected months. Shipper hereby indemnifies Panhandle against and holds Panhandle harmless for any claims of Shipper or any person claiming through Shipper as to rights to billing different from those elected by Shipper.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RESERVED FOR FUTURE USE

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT C

Transportation Agreement
For
Enhanced Firm Service
Under Rate Schedule EFT
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule EFT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule EFT set forth on effective Tariff Sheet No. 5, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule EFT.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT C DATED: _____

RATE SCHEDULE EFT (Continued)
ENHANCED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Enhanced Firm Service
Under Rate Schedule EFT
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule EFT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule EFT set forth on effective Tariff Sheet No. 5, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule EFT.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RATE SCHEDULE SCT
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

This contract is Firm Seasonal Storage Related _____

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery, on a firm basis, quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity (MDCQ), stated on Exhibit A.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule SCT.

Exhibit A hereto states the Point(s) of Receipt and Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof. Shipper's Maximum Daily Contract Quantity shall be assigned among the primary Point(s) of Receipt set out on Exhibit A, as well as among the primary Point(s) of Delivery set out on Exhibit A.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating a firm Point(s) of Receipt or firm Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities, as are defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such firm Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide firm Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule SCT filed with the Commission, as such rates and charges and Rate Schedule SCT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule SCT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule SCT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule SCT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule SCT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule SCT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic scheduling of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule SCT

and _____

Contract No. _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule SCT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule SCT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule SCT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule SCT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

RATE SCHEDULE SCT (Continued)
SMALL CUSTOMER FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule SCT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE IT
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Shipper covenant and agree as follows:

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery, on a capacity available basis, quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity, stated on Exhibit A.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule IT.

Exhibit A hereto states the Point(s) of Receipt and Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating an interruptible Point(s) of Receipt or interruptible Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities as defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such interruptible Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide interruptible Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule IT filed with the Commission, as such rates and charges and Rate Schedule IT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule IT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule IT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule IT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule IT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule IT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic nominations of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Interruptible Service
Under Rate Schedule IT

and _____

Contract No. _____

Maximum Daily Contract Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule IT

Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule IT

Point(s) of Receipt

Seq. No.	Received From	Mileage	Function-alization/ County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Interruptible Service
Under Rate Schedule IT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

Maximum Daily Contract Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule IT

Point(s) of Delivery

Seq. No.	Redelivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE IT (Continued)
INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule IT

Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EIT
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Shipper covenant and agree as follows:

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point of Delivery, on a capacity available basis, quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity, stated on Exhibit A.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule EIT.

Exhibit A hereto states the Point(s) of Receipt and the Point(s) of Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating an interruptible Point(s) of Receipt or interruptible Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities as defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such interruptible Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide interruptible Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule EIT filed with the Commission, as such rates and charges and Rate Schedule EIT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule EIT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule EIT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule EIT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule EIT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule EIT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic nominations of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Interruptible Service
Under Rate Schedule EIT

and _____

Contract No. _____

Maximum Daily Contract Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule EIT

Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule EIT

Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Interruptible Service
Under Rate Schedule EIT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

Maximum Daily Contract Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule EIT

Point(s) of Delivery

Seq. No.	Redelivered To	Function-alization Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE EIT (Continued)
ENHANCED INTERRUPTIBLE TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Interruptible Service
Under Rate Schedule EIT

Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE IOS
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS AGREEMENT, made and entered into this day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and ("Shipper"),

W I T N E S S E T H:

WHEREAS, Panhandle has available underground Gas storage capacity; and

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage service.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

This contract is for Market Area Storage _____
This contract is for Field Area Storage _____

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and desires to have certain volumes hereinafter set forth (Stored Volume) delivered into storage for Shipper's account during the term hereof, up to the Maximum Stored Quantity, set out below, which shall be the maximum inventory Shipper may maintain in storage hereunder at any given time. Injections shall be made in accordance with Shipper's nominations, but Panhandle shall not be required to inject Gas at a rate in excess of 1/200th of Shipper's Maximum Stored Quantity on any Day. At no time shall Shipper's Stored Volume exceed its Maximum Stored Quantity. Stored Volumes are to be delivered in accordance with Shipper's nominations pursuant to the terms and conditions of this Agreement, all in accordance with Section 2 of Rate Schedule IOS.

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Stored Quantity _____ Dt.

Maximum Daily Injection Quantity _____ Dt./Day

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

1.2 Shipper shall have the right to have delivered to it at the IOS Point, as described in Rate Schedule IOS, any portion of its Stored Volume, up to a maximum withdrawal of 1/100 of its Maximum Stored Quantity, on any Day during the term hereof. In no event shall volumes delivered hereunder to Shipper ever exceed Shipper's Stored Volume as defined in Section 1.1. Panhandle shall not be required to deliver quantities of Gas on any Day which exceed the Maximum Daily Contract Quantities under firm Transportation Agreements to which Shipper has a right to deliver Gas at the IOS Point.

1.3 Transporter shall retain, as Fuel Reimbursement, the percentages of Gas injected and withdrawn hereunder, as set forth on effective Tariff Sheet No. 9.

ARTICLE 2
BILLING AND PAYMENT

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule IOS filed with the Commission, as such rates and charges and Rate Schedule IOS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule IOS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule IOS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually injected, withdrawn or stored (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually injected, withdrawn or stored); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm capacity charge or deliverability charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MSQ and/or MDWQ, as applicable.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit A hereto.

ARTICLE 3
POINT OF DELIVERY

3.1 All volumes delivered to Shipper hereunder shall be delivered at the IOS Point, as described in Rate Schedule IOS.

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 4
TERM

4.1 This Agreement shall be effective from the date first stated above. Panhandle shall provide firm storage service for Shipper pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule IOS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule IOS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6
SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7
NOTICES

Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Agreement and in the General Terms and Conditions of the Tariff and the Rate Schedules to which they apply, or any notices which either Panhandle or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail to the post office address of Panhandle or Shipper, or at such other address as either shall designate by formal written notice. Routine communications, including monthly statements and payments, shall be considered as delivered when mailed by either registered or ordinary mail. The post office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: Not to be used for any other purpose	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first above written:

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule IOS
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.9 of Rate Schedule IOS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule IOS set forth on effective Tariff Sheet No. 9, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule IOS.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE IOS (Continued)
IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule IOS
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.9 of Rate Schedule IOS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule IOS set forth on effective Tariff Sheet No. 9, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule IOS.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE IIOS
INTERRUPTIBLE IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS AGREEMENT, made and entered into this ___ day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and _____ ("Shipper"),

W I T N E S S E T H:

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage service on a capacity available basis.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and desires to have certain volumes hereinafter set forth (Stored Volume) delivered into storage for Shipper's account during the term hereof, up to the Maximum Stored Quantity, set out below, which shall be the maximum inventory Shipper may maintain in storage hereunder at any given time. Injections shall be made in accordance with Shipper's nominations, but Panhandle will not be required to inject Gas in excess of the Maximum Daily Injection Quantity. At no time shall Shipper's Stored Volume exceed its Maximum Stored Quantity. Stored Volumes are to be delivered in accordance with Shipper's nominations pursuant to the terms and conditions of this Agreement, all in accordance with Section 2 of Rate Schedule IIOS.

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Stored Quantity _____ Dt.

Maximum Daily Injection Quantity _____ Dt./Day

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

1.2 Shipper shall have the right to nominate for delivery to it at the IOS Point, as described in Rate Schedule IOS, on an interruptible basis, any portion of its Stored Volume, up to the Maximum Daily Withdrawal Quantity, on any Day during the term hereof. In no event shall volumes delivered hereunder to Shipper ever exceed Shipper's Stored Volume as defined in Section 1.1. Panhandle shall not be required to deliver quantities of Gas on any Day for which there is insufficient available capacity under Transportation Agreements to which Shipper has a right to deliver Gas at the IOS Point.

1.3 Transporter shall retain, as Fuel Reimbursement, the percentages of Gas injected and withdrawn hereunder, as set forth on effective Tariff Sheet No. 10.

ARTICLE 2
BILLING AND PAYMENT

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule IIOS filed with the Commission, as such rates and charges and Rate Schedule IIOS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule IIOS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE IIOS (Continued)
INTERRUPTIBLE IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule IIOS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually stored (i.e., that the rates shall be adjusted in a specified relationship to the actual Stored Quantity); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

ARTICLE 3
POINT OF DELIVERY

3.1 All volumes delivered to Shipper hereunder shall be delivered at the IOS Point, as described in Rate Schedule IOS.

ARTICLE 4
TERM

4.1 This Agreement shall be effective from the date first stated above. Panhandle shall provide interruptible storage service for Shipper pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

RATE SCHEDULE IIOS (Continued)
INTERRUPTIBLE IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule IIOS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule IIOS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6
MISCELLANEOUS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7
NOTICES

7.1 Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE IIOS (Continued)
INTERRUPTIBLE IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: Not to be used for any other purpose	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE IIOS (Continued)
INTERRUPTIBLE IN/OUT STORAGE SERVICE
FORM OF STORAGE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE WS
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS STORAGE AGREEMENT, made and entered into this day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and ("Shipper"),

W I T N E S S E T H:

WHEREAS, Panhandle has available underground Gas storage capacity; and

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage and transportation service.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and desires to have the volumes hereinafter set forth (Stored Volume) injected into the storage facilities identified below for Shipper's account during the period of April 1 through October 31 (the Summer Period) of each year of the term hereof, up to the Maximum Stored Quantity, set out below, which shall be the maximum inventory Shipper may have injected into storage during the Summer Period and maintained in storage hereunder at any given time. Stored Volumes are to be withdrawn from storage and delivered to Shipper during the period November 1 through March 31 (Winter Period) of each year pursuant to the terms and conditions of this Storage Agreement, all in accordance with Section 2 of Rate Schedule WS.

This contract is for Market Area Storage _____
This contract is for Field Area Storage _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Stored Quantity _____ Dt.

Maximum Daily Injection Quantity _____ Dt./Day

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

1.2 In each year of the term of this Storage Agreement, Shipper may elect to retain a portion of its Stored Volume as carry-over volume (Carry-over Volume) to be left in storage during the succeeding Summer Period and withdrawn in the succeeding Winter Period. Shipper may so retain up to 20% of its Maximum Stored Quantity for such carry-over without penalty. In the event the retained Carry-over Volume exceeds 20% of its Maximum Stored Quantity, Shipper shall be subject to an additional percentage retention of Gas as set forth in Section 1.3. The sum of the Carry-over Volume and the volumes delivered by Shipper for storage during any Summer Period shall not exceed Shipper's Maximum Stored Quantity set forth in Section 1.1 of this Storage Agreement.

1.3 Shipper agrees to furnish, in addition to volumes delivered into storage, a volume of Gas equal to the percentage set out in effective Tariff Sheet No. 11 of such volumes delivered for injection into storage in each year of the term hereof to be retained by Panhandle for use as compressor fuel, plus an additional volume of Gas equal to the percentage set out in effective Tariff Sheet No. 11 of volumes delivered to Shipper in each year of the term hereof to be retained by Panhandle for use as compressor fuel. No compressor fuel need be furnished for volumes carried over from any Winter Period unless Shipper retains more than 20% of its Maximum Stored Quantity in any year as Carry-over Volumes. In such event, pursuant to Section 1.2, such Carry-over Volumes in excess of 20% of Shipper's Maximum Stored Quantity shall be subject to a .25% additional compressor fuel retention by Panhandle.

1.4 Panhandle shall receive from Shipper and inject into storage each Month during the Summer Period Gas as nominated pursuant to the General Terms and Conditions.

1.5 Where Shipper has designated as the WS Point a point not located on Panhandle's system, then the maximum quantities for injection and withdrawal on any Day shall be subject to any restrictions or other limitations applicable to the lease or storage agreement between Panhandle and the owner or operator of the storage facility, in addition to the restrictions and limitations of this agreement and Rate Schedule WS.

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 2
BILLING AND PAYMENT

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule WS filed with the Commission, as such rates and charges and Rate Schedule WS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule WS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule WS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually injected, withdrawn or stored (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually injected, withdrawn or stored); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm capacity charge or deliverability charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MSQ and/or MDWQ, as applicable.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit A hereto.

ARTICLE 3
POINTS OF RECEIPT AND DELIVERY

During the Summer Period Gas shall be received by Panhandle from Shipper for injection into storage, and during the Winter Period the Stored Volume withdrawn for the account of Shipper hereunder shall be delivered to Shipper, at the WS Point as defined in the General Terms and Conditions on a firm basis.

ARTICLE 4
TERM

4.1 This Agreement shall be effective from the date first stated above. Panhandle shall provide firm storage service for Shipper pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule WS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule WS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 6
SUCCESSION AND ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7
NOTICES

Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Storage Agreement and in the General Terms and Conditions of the Tariff and the Rate Schedules to which they apply, or any notices which either Panhandle or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail to the post office address of Panhandle or Shipper, or at such other address as either shall designate by formal written notice. Routine communications, including monthly statements and payments, shall be considered as delivered when mailed by either registered or ordinary mail. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE WS(Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule WS
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.9 of Rate Schedule WS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule WS set forth on effective Tariff Sheet No. 11, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule WS.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE WS (Continued)
WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule WS
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.9 of Rate Schedule WS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule WS set forth on effective Tariff Sheet No. 11, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule WS.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE IWS
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS STORAGE AGREEMENT, made and entered into this day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and ("Shipper"),

W I T N E S S E T H:

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage and transportation service on a capacity available basis.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder on an interruptible basis and may nominate for storage hereunder certain volumes of Gas (Stored Volume), up to a Maximum Stored Quantity, set out below. Nominations for injection into the storage facilities identified below may be made for the period of April 1 through October 31 (the Summer Period) of each year of the term hereof, under Transportation Agreements designated by Shipper. Stored Volumes are to be delivered to Shipper during the period November 1 through March 31 (Winter Period) of each year pursuant to the terms and conditions of this Storage Agreement, all in accordance with Section 2 of Rate Schedule IWS.

This contract is for Market Area Storage _____
This contract is for Field Area Storage _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Stored Quantity _____ Dt.

Maximum Daily Injection Quantity _____ Dt./Day

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

1.2 In each year of the term of this Storage Agreement, Shipper may elect to retain a portion of its Stored Volume as carry-over volume (Carry-over Volume) to be left in storage during the succeeding Summer Period and withdrawn in the succeeding Winter Period. Shipper may so retain up to 20% of its Maximum Stored Quantity for such carry-over without penalty. In the event the retained Carry-over Volume exceeds 20% of its Maximum Stored Quantity, Shipper shall be subject to an additional percentage retention of Gas as set forth in Section 1.3. The sum of the Carry-over Volume and the volumes delivered by Shipper for storage during any Summer Period shall not exceed Shipper's Maximum Stored Quantity set forth in Section 1.1 of this Storage Agreement.

1.3 Shipper agrees to furnish, in addition to volumes delivered into storage, a volume of Gas equal to the percentage set out in effective Tariff Sheet No. 13 of such volumes injected into storage in each year of the term hereof to be retained by Panhandle for use as compressor fuel, plus an additional volume of Gas equal to the percentage set out in effective Tariff Sheet No. 13 of such volumes delivered to Shipper in each year of the term hereof to be retained by Panhandle for use as compressor fuel. No compressor fuel need be furnished for volumes carried over from any Winter Period unless Shipper retains more than 20% of its Maximum Stored Quantity in any year as Carry-over Volumes. In such event, pursuant to Section 1.2, such Carry-over Volumes in excess of 20% of Shipper's Maximum Stored Quantity shall be subject to a .25% additional compressor fuel retention by Panhandle.

1.4 Where Shipper has designated as the WS Point a point not located on Panhandle's system, then the maximum quantities for injection and withdrawal on any Day shall be subject to any restrictions or other limitations applicable to the lease or storage agreement between Panhandle and the owner or operator of the storage facility, in addition to the restrictions and limitations of this agreement and Rate Schedule IWS.

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 2
BILLING AND PAYMENT

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule IWS filed with the Commission, as such rates and charges and Rate Schedule IWS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule IWS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule IWS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually stored (i.e., that the rates shall be adjusted in a specified relationship to the actual Stored Quantity); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 3
POINTS OF RECEIPT AND DELIVERY

During the Summer Period, Gas shall be received for injection into Storage and, during the Winter Period, the Stored Volume withdrawn for the account of Shipper hereunder shall be delivered at the WS Point, as defined in the General Terms and Conditions on an interruptible basis.

ARTICLE 4
TERM

4.1 This Agreement shall be effective from the date first stated above. Panhandle shall provide interruptible storage service for Shipper pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule IWS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule IWS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6
SUCCESSION AND ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 7
NOTICES

Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Storage Agreement and in the General Terms and Conditions of the Tariff and the Rate Schedules to which they apply, or any notices which either Panhandle or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail to the post office address of Panhandle or Shipper, or at such other address as either shall designate by formal written notice. Routine communications, including monthly statements and payments, shall be considered as delivered when mailed by either registered or ordinary mail. The post office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE IWS (Continued)
INTERRUPTIBLE WINTER STORAGE SERVICE
FORM OF STORAGE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE PS
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS AGREEMENT, made and entered into this day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and _____ ("Shipper"),

W I T N E S S E T H:

WHEREAS, Panhandle has available underground Gas storage capacity; and

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage service on a firm basis.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and desires to have the volumes hereinafter set forth (Stored Volume) injected into storage for Shipper's account during the period of April 1 through October 31 (the Summer Period) of each year of the term hereof, up to the Maximum Stored Quantity, set out below, which shall be the maximum inventory Shipper may have injected into storage during the Summer Period and maintained in storage hereunder at any given time. Stored Volumes are to be withdrawn during the period November 1 through March 31 (Winter Period) of each year pursuant to the terms and conditions of this Storage Agreement, all in accordance with Section 2 of Rate Schedule PS.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

Month	Monthly Stored Volume (Dt.)	Average Daily Stored Volume (Dt./Day)

For each specified period of the Agreement:

Effective from: _____ Through: _____

April
May
June
July
August
September
October

Maximum Stored Quantity Dt.

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

In accordance with the above schedule, Shipper agrees that it shall provide and nominate for storage injection hereunder, during each Month of the Summer Period, a minimum of the Monthly Stored Quantity. Consistent with the attainment of the Maximum Stored Quantity prior to November 1 of any year, the parties may mutually agree to alter the Monthly Stored Volumes and Average Daily Stored Volumes from this Storage Agreement. Such alterations shall not result in adjustment to the Maximum Stored Quantity. Such alterations, when made, shall be consistent with the physical and operating capabilities of Panhandle. In the event that Shipper does not provide and nominate for storage injection hereunder, during any Month of the Summer Period, the Monthly Stored Volume set out above, then Panhandle shall have the right to inject Gas into its aggregated storage on Shipper's behalf equal to the shortfall and Shipper shall pay Panhandle as set out in Rate Schedule PS and the General Terms and Conditions.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

1.2 In each year of the term of this Storage Agreement, Shipper may elect to retain a portion of its Stored Volume as carry-over volume (Carry-over Volume) to be left in storage during the succeeding Summer Period and delivered in the succeeding Winter Period. Shipper may so retain up to 20% of its Maximum Stored Quantity for such carry-over without penalty. In the event the retained Carry-over Volume exceeds 20% of its Maximum Stored Quantity, Shipper shall be subject to an additional percentage retention of Gas as set forth in Section 1.3. The sum of the Carry-over Volume and the volumes delivered by Shipper for storage during any Summer Period shall not exceed Shipper's Maximum Stored Quantity set forth in Section 1.1 of this Agreement.

1.3 Shipper agrees to furnish, in addition to volumes delivered for injection into storage, a volume of Gas equal to the percentage set out in effective Tariff Sheet No. 12 of such volumes delivered into storage in each year of the term hereof to be retained by Panhandle for use as compressor fuel, plus an additional volume of Gas equal to the percentage set out in effective Tariff Sheet No. 12 of volumes delivered to Shipper in each year of the term hereof to be retained by Panhandle for use as compressor fuel. No compressor fuel need be furnished for volumes carried over from any Winter Period unless Shipper retains more than 20% of its Maximum Stored Quantity in any year as Carry-over Volumes. In such event, pursuant to Section 1.2, such Carry-over Volumes in excess of 20% of Shipper's Maximum Stored Quantity shall be subject to a .25% additional compressor fuel retention by Panhandle.

1.4 Subject to paragraph 1.1, above, Panhandle shall receive from Shipper and inject into storage each Month during the Summer Period the Monthly Stored Volume at flow rates equal to the Average Daily Stored Volumes set out above; provided, however, Shipper and Panhandle may mutually agree to daily delivery volumes other than the Average Daily Stored Volume.

1.5 Where Shipper has designated as the PS Point a point not located on Panhandle's system, then the maximum quantities for injection and withdrawal on any Day shall be subject to any restrictions or other limitations applicable to the lease or storage agreement between Panhandle and the owner or operator of the storage facility, in addition to the restrictions and limitations of this Agreement and Rate Schedule PS.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 2
BILLING AND PAYMENT

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule PS filed with the Commission, as such rates and charges and Rate Schedule PS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule PS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule PS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually injected, withdrawn or stored (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually injected, withdrawn or stored); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm capacity charge or deliverability charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MSQ and/or MDWQ, as applicable.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit A hereto.

ARTICLE 3
POINTS OF RECEIPT AND DELIVERY

During the Summer Period, Panhandle shall receive Gas for injection into Storage and, during the Winter Period, the Stored Volume withdrawn for the account of Shipper hereunder shall be delivered at the PS Point as defined in the General Terms and Conditions.

ARTICLE 4
TERM

4.1 This Agreement shall be effective from the date first stated above. Panhandle shall provide firm storage service for Shipper pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule PS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule PS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 6
SUCCESSION AND ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7
NOTICES

7.1 Except as otherwise specified, any notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as either shall designate by formal written notice. Routine communications and bills, (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE PS (Continued)
PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule PS
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 4.9 of Rate Schedule PS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule PS set forth on effective Tariff Sheet No. 12, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule PS.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE PS (Continued)

PEAKING STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule PS
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 4.9 of Rate Schedule PS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule PS set forth on effective Tariff Sheet No. 12, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule PS.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE GDS
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Shipper covenant and agree as follows:

ARTICLE 1
SERVICE

1.1 Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point of Delivery, on a firm basis adjusted for fuel, quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity (MDCQ), stated on Exhibit A.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

1.2 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and may desire to have certain volumes (Stored Volume) delivered into storage for Shipper's account during the term hereof, up to the Maximum Stored Quantity, stated on Exhibit A, which shall be the maximum inventory Shipper may maintain in storage hereunder at any given time. Injections shall be made in accordance with the monthly operating plan described herein below. At no time shall Shipper's Stored Volume exceed its Maximum Stored Quantity. Stored Volumes are to be withdrawn and delivered pursuant to the terms and conditions of this Agreement, and in accordance with Section 2 of Rate Schedule IOS and Section 2 of an eligible Storage Agreement under Rate Schedule FS.

1.3 Exhibit A hereto states the Point(s) of Receipt and the Point of Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof. Shipper's Maximum Daily Contract Quantity shall be assigned among the Primary Point(s) of Receipt set out on Exhibit A. Such assignment may be changed, subject to the availability of capacity, in accordance with the General Terms and Conditions.

1.4 Exhibit B hereto sets out a description of the Rate Schedule EFT, SCT, IOS, and, if applicable WS, PS and FS Agreements which underlie the service to be provided hereunder.

1.5 Shipper recognizes that no Point(s) of Receipt or Point of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering System, unless Shipper agrees to accept a completely separate Gathering service. By designating a firm Point(s) of Receipt or firm Point of Delivery hereunder which is only available as a Gathering Point(s) of Receipt or Gathering Point of Delivery, as those terms are defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such firm Gathering service.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

ARTICLE 2
TERM

A. This Agreement shall be effective from the date first stated above. Panhandle shall provide firm service for Shipper pursuant to this Agreement from _____ until the earlier of; the first Day of the Month following six months after notification in writing from Shipper to Panhandle that the underlying transportation and storage capacity governed by this Agreement are to be administered pursuant to the Rate Schedules EFT, SCT and IOS or Rate Schedule FS, if eligible, (and WS, PS and/or other FS) agreements under which Shipper's firm capacity on Panhandle's system was contracted (the underlying Service Agreements), or the date either the underlying Transportation or Storage Agreement governed by Rate Schedule EFT, SCT, IOS or an eligible Storage Agreement under Rate Schedule FS expires or is terminated. It is the intention of the parties that while this Agreement is in effect it shall be construed, wherever possible, to operate in conjunction with the underlying Service Agreements. In cases of conflict the terms of this Agreement shall govern.

B. Notwithstanding the above provisions of this Article 2, Panhandle shall have the right to terminate service hereunder, pursuant to any effective provisions for termination of this Agreement or any of the underlying Service Agreements by Panhandle as stated in Rate Schedules GDS, EFT, IOS, FS or the General Terms and Conditions.

ARTICLE 3
RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule GDS filed with the Commission, as such rates and charges and Rate Schedule GDS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule GDS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule GDS and subject to the Regulations and Orders of the Commission. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

ARTICLE 4
FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage as stated on Exhibit A hereto (or succeeding effective percentage) of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule GDS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule GDS, Rate Schedules applicable to the underlying services, and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6
SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7
OPERATING PLAN

7.1 Periodic scheduling of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions.

7.2 For each Month during the term of this Agreement, Panhandle and Shipper shall develop a monthly operating plan wherein Shipper shall provide Panhandle with Shipper's nomination of Gas to be received by Panhandle in accordance with Shipper's underlying Rate Schedule EFT or SCT Agreement(s) and the Gas to be injected into or withdrawn from storage in accordance with its underlying Rate Schedule IOS Agreement or an eligible Rate Schedule FS Agreement.

If Shipper has delivered sufficient Gas to Panhandle (either as EFT (or SCT) receipts or as Stored Volume) Shipper shall be entitled to take each Day, at the Point of Delivery, the Maximum Daily Contract Quantity stated on Exhibit A (as adjusted according to Article 8, below). As a part of the monthly operating plan described above, Panhandle shall advise Shipper each Month as to the daily minimum take that would be required to maintain Shipper's Rate Schedule EFT (or SCT) service in balance. As a part of the monthly operating plan, Shipper shall provide Panhandle with a storage use priority scheme (the order in which to apply delivery volumes to the component services). If Shipper fails to provide Panhandle with a storage use priority scheme prior to five Days before the beginning of a Month Panhandle shall use the following schemes:

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

November through March -
1) EFT or SCT, up to receipt nominations
2) WS withdrawals (if applicable)
3) PS withdrawals (if applicable)
4) FS withdrawals (if applicable)
5) IOS or eligible FS withdrawals/injections

April through October -
1) PS injection (if applicable)
2) FS injection (if applicable)
3) WS injection (if applicable)
4) EFT or SCT deliveries
5) IOS or eligible FS injections/withdrawals

7.3 During each Month hereunder Panhandle shall be entitled to inject Gas into IOS or eligible FS storage (if Shipper has delivered sufficient Gas to Panhandle) and/or withdraw Gas from IOS or eligible FS storage for Shipper's account, in accordance with the operating plan, without further nominations from Shipper. In the event that imbalances or overruns occur due to insufficient confirmed receipts, insufficient IOS or eligible FS Stored Volume, insufficient available storage capacity or any other reason, the balancing and/or Overrun Charges and Unauthorized Overrun Penalties set out in the underlying agreements, in Rate Schedule GDS and the General Terms and Conditions shall be applicable and shall be paid by Shipper.

ARTICLE 8 - OTHER SERVICES

Shipper shall be entitled to include in the services governed by this Agreement storage services for which Shipper shall have contracted with Panhandle pursuant to Rate Schedules WS, PS and/or FS, along with Seasonal Storage Related Transportation service under Rate Schedule EFT (or SCT). Any such inclusion shall be made effective the date first written above or effective April 1 of any year wherein the stated term of this Agreement shall have at least one year remaining. If such services are included herein all obligations of Shipper under the underlying Rate Schedules WS, PS and/or FS (and EFT or SCT) agreements shall remain in force, consistent with Panhandle's authorization to withdraw Gas from such storage during the period November through March without further nominations from Shipper and to inject Gas during the period April through October, including the use of the related transportation service, in order to keep Shipper's takes from Panhandle balanced with Shipper's deliveries to Panhandle.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

Where such services have been included herein they shall be taken into account in the monthly operating plan and the maximum quantity Shipper may take shall be adjusted, for the period November through March of any Contract Year, to reflect storage related deliverability, and for the period April through October of any Contract Year to reflect storage injection capability of Rate Schedules WS and FS service and injection requirements related to Rate Schedule PS storage injections.

ARTICLE 9 - NOTICES

Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and
Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

EXHIBIT A

Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule GDS

and _____

Contract No. _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Daily Contract Quantity (Dt./Day) _____

Maximum Stored Quantity _____ Dt.

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

EXHIBIT A

Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule GDS

and _____

Contract No. _____

Point of Delivery

Seq. No.	Redelivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed By	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

SUPERSEDING
EXHIBIT A

Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule GDS

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Daily Contract Quantity (Dt./Day) _____

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

SUPERSEDING

EXHIBIT A

Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule GDS

and _____

Contract No. _____

Point of Delivery

Seq. No.	Redelivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

RATE SCHEDULE GDS (Continued)
GENERAL DELIVERY SERVICE
FORM OF SERVICE AGREEMENT

EXHIBIT B

Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule GDS

and _____

Contract No. _____

[Description of Contract EFT]

[Description of Contract SCT]

[Description of Contract IOS or eligible FS]

[Description of Contract PS and related transportation]

[Description of Contract WS and related transportation]

[Description of Contract FS and related transportation]

RATE SCHEDULE TBS
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Shipper covenant and agree as follows:

ARTICLE 1
SERVICE

1.1 Panhandle and Shipper are parties to the Storage Agreement set forth on Exhibit A hereto, pursuant to Rate Schedule IOS or FS, as applicable, of Panhandle's FERC Gas Tariff (the "Storage Agreement"). In order for Shipper or other Shippers to receive service under designated Transportation Agreements in a manner calculated to maintain nominations, receipts and deliveries in balance to the extent permitted by Shipper's capacity and Stored Volume under the Storage Agreement, Panhandle and Shipper agree as follows:

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

(a) On any Day wherein Gas is nominated and scheduled for Transportation under any of the designated Transportation Agreements and the Quantities of Gas delivered vary from the Quantities of Gas nominated by Shippers under the designated Transportation Agreements, the Tolerance level applicable to each such contract shall be increased by a sufficient quantity for each such Transportation Agreement to be within Tolerance, up to the quantity afforded by the MDWQ, MDIQ and the available Stored Volume and available Maximum Stored Quantity of the Storage Agreement, without further notice or nominations from Shipper.

(b) For any Month wherein Gas is nominated and scheduled for Transportation under the designated Transportation Agreements and the Quantities of Gas delivered vary from the Quantities of Gas received by Panhandle for the account of Shippers under the designated Transportation Agreements, Panhandle shall schedule withdrawals and or injections of Gas pursuant to the Storage Agreement in quantities sufficient to bring delivered and received Quantities of Gas within the MAIQ of such Shippers' firm Transportation Agreements or the MMIQ of such Shippers' interruptible Transportation Agreements (as defined in Section 12.11 of the General Terms and Conditions of Panhandle's Tariff), without further notice or nominations from Shipper.

1.2 All of the activity pursuant to the Storage Agreement to be effected by Panhandle for balancing purposes hereunder shall be subject to Shipper's; Stored Volume, available Maximum Stored Quantity, MDIQ and MDWQ. This agreement does not supersede any of the provisions of the designated Transportation Agreements or the Rate Schedules and General Terms and Conditions of Panhandle's Tariff with respect to balancing. In the event that imbalances or overruns occur due to insufficient confirmed receipts, insufficient IOS Stored Volume, insufficient available storage capacity or any other reason, the balancing and/or Overrun Charges and Unauthorized Overrun Penalties set out in the underlying agreements and the General Terms and Conditions shall be applicable and shall be paid by Shippers under the designated Transportation Agreements.

ARTICLE 2
TERM

A. This Agreement shall be effective from the date first stated above. Panhandle shall provide transportation balancing service for Shipper pursuant to this Agreement from _____ until the earlier of: the first Day of the Month following six months after notification of cancellation in writing from Shipper to Panhandle, or the date the Storage Agreement expires or is terminated.

B. Notwithstanding the above provisions of this Article 2, Panhandle shall have the right to terminate service hereunder, pursuant to any effective provisions for termination of this Agreement or of the underlying Service Agreement by Panhandle as stated in Rate Schedule IOS or FS, as applicable, or the General Terms and Conditions.

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

ARTICLE 3
RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule TBS filed with the Commission, as such rates and charges and Rate Schedule TBS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule TBS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

ARTICLE 4
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule TBS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule TBS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

ARTICLE 5
SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 6 - NOTICES

Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

ARTICLE 7 - DESIGNATION

No later than 5 Business Days prior to the beginning of each Month during the term hereof, Shipper shall designate to Panhandle, in writing, the Transportation Agreements to which balancing services hereunder shall apply for such Month.

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE TBS (Continued)
TRANSPORTATION BALANCING SERVICE
FORM OF SERVICE AGREEMENT

EXHIBIT A

Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Transportation Balancing Service
Under Rate Schedule TBS

and _____

Contract No. _____

Storage Agreement: _____

FORM OF AGREEMENT
FOR MESSENGER®

This agreement, executed this _____ day of _____, _____, by and between _____ ("Messenger® Subscriber"), and Panhandle Eastern Pipe Line Company, LP, and Trunkline Gas Company, LLC, Sea Robin Pipeline Company, LLC, Trunkline LNG Company, LLC and Southwest Gas Storage Company ("Pipeline"), witnesseth that for and in consideration of the mutual covenants and provisions herein contained and subject to all of the terms, provisions and conditions herein set forth, Messenger® Subscriber and Pipeline do hereby agree as follows:

ARTICLE I
SCOPE OF AGREEMENT

Pipeline shall make available for use by Messenger® Subscriber Pipeline's computerized electronic communication service, the Messenger® system. Messenger® Subscriber may at its option use the Messenger® system to: (1) execute a contract for new service under applicable Rate Schedules; (2) execute an amendment of an existing Service Agreement; and (3) nominate quantities for receipt and delivery by Pipeline pursuant to an existing Service Agreement under any of Pipeline's Rate Schedules. Messenger® Subscriber may also use the Messenger® system to request and receive from Pipeline such other information as Pipeline may from time to time make available to Messenger® Subscriber through the Messenger® system.

ARTICLE II
TERMS AND CONDITIONS

Messenger® Subscriber's use of the Messenger® system shall be in accordance with and subject to Pipeline's currently effective FERC Gas Tariff, including any and all applicable provisions of the General Terms and Conditions (the "General Terms and Conditions") and the terms and conditions of any relevant Rate Schedules which appear in Pipeline's currently effective FERC Gas Tariff, all of which terms and conditions are expressly incorporated by reference herein.

FORM OF AGREEMENT (Continued)
FOR MESSENGER

Authorized Use of Messenger : Confidentiality

Use of the Messenger system by Messenger Subscriber shall be limited only to those persons who have been duly authorized by Messenger Subscriber to use the Messenger system (the "Authorized Personnel"), as indicated in the completed Computer Access Request Form to be submitted by Messenger Subscriber to Pipeline, a copy of which is attached to the Messenger Agreement. Pipeline will provide each of Messenger Subscriber's Authorized Personnel with an individualized user identification code ("USERID") and password. The number and type of USERIDs and passwords to be issued by Pipeline shall be subject to the sole discretion of Pipeline.

Messenger Subscriber shall also designate one or more Authorized Personnel who are additionally authorized: (1) to transmit information to Pipeline through the Messenger system, and/or (2) to perform the contracting function and thereby legally bind Messenger Subscriber to any Service Agreement or amended Service Agreement entered into with Pipeline (collectively, the "Designated Personnel"). Pipeline shall be entitled to rely upon Messenger Subscriber's representation that any and all Designated Personnel authorized to perform the Messenger system contracting function have been duly authorized by Messenger Subscriber to enter into one or more Service Agreements or amended Service Agreements for all purposes of this Messenger Agreement.

FORM OF AGREEMENT (Continued)
FOR MESSENGER

Messenger Subscriber shall not disclose to persons other than Authorized Personnel, and shall otherwise keep completely confidential, all USERIDs and passwords issued to Messenger Subscriber by Pipeline. In addition, each Authorized Personnel shall likewise not disclose to any other person, and shall otherwise keep completely confidential, the individualized USERID and password issued to such Authorized Personnel.

Messenger Subscriber shall immediately inform Pipeline in writing whenever Messenger Subscriber desires to terminate access to the Messenger system previously granted to any Authorized Personnel, or desires to terminate the status of any Designated Personnel. Messenger Subscriber shall be solely responsible for any and all unauthorized or otherwise improper use of USERIDs and passwords issued to Messenger Subscriber by Pipeline, including but not limited to the use of such USERIDs and passwords by Authorized Personnel who at some point are no longer within Messenger Subscriber's employment or control. Pipeline reserves the right, at any time and in Pipeline's sole discretion, to invalidate without prior notice any password or USERID issued to Messenger Subscriber.

Messenger Subscriber shall defend and indemnify Pipeline from and against any and all claims, demands, and actions, and any resulting loss, costs, damages, and expenses (including court costs and reasonable attorney's fees) of any nature whatsoever, which may be asserted against or imposed upon Pipeline by any party as a result of the unauthorized or otherwise improper use of any USERID or password issued by Pipeline to Messenger Subscriber.

FORM OF AGREEMENT (Continued)
FOR MESSENGER

Release and Disclaimer of Liability: Indemnification

Pipeline expressly disclaims any and all liability for damages to Messenger Subscriber, except for damages directly attributable to the negligence, bad faith, fraud or willful misconduct of Pipeline, or to any third parties associated with Messenger Subscriber's use of the Messenger system arising out of or in any manner related to use by Messenger Subscriber or Pipeline of the Messenger system, including but not limited to any damages resulting from any one or more of the following: (1) any acts of God or force majeure, including but not limited to sabotage, war, riot, lightning, vermin, fire, floods, electrical storms and/or power outages, or any other natural or public calamity; (2) any defects in computer software or hardware or defective programming; (3) any interruption in or malfunction of electronic communication or transmission; or (4) any improper or erroneous service which may occur as a result of use of the Messenger system. Pipeline's liability, if any, shall be limited to direct damages only incurred by Messenger Subscriber and shall not extend to consequential, indirect or punitive damages incurred by Messenger Subscriber or any damages, of any nature whatsoever incurred by third parties.

PIPELINE HEREBY DISCLAIMS ANY AND ALL EXPRESS AND IMPLIED WARRANTIES OF ANY NATURE WHATSOEVER IN CONNECTION WITH MESSENGER SUBSCRIBER'S USE OF THE MESSENGER SYSTEM, INCLUDING BUT NOT LIMITED TO ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

Messenger Subscriber agrees to protect, defend, indemnify, and hold Pipeline harmless against any and all loss, costs, damages, and expenses of any nature whatsoever (including court costs and reasonable attorney's fees), resulting from or otherwise related to any claim, demand, or action asserted against Pipeline, arising from or in any manner directly or indirectly connected with Messenger Subscriber's use of the Messenger system except for the negligence, bad faith, fraud or willful misconduct of Pipeline.

FORM OF AGREEMENT (Continued)
FOR MESSENGER

Other Terms and Conditions

Use of the Messenger system is expressly subject to all of the General Terms and Conditions, as well as all of the terms and conditions of any Rate Schedule and Service Agreement which may be applicable to any transaction performed by Messenger Subscriber and Pipeline by means of the Messenger system, all of which are set forth in Pipeline's currently effective FERC Gas Tariff as amended from time to time and are hereby incorporated by reference. In the event of a conflict between the terms and conditions of this agreement and any other applicable terms and conditions set forth in Pipeline's currently effective FERC Gas Tariff which are incorporated by referenced herein, such other terms and conditions shall govern Messenger Subscriber's use of the Messenger system unless otherwise specifically provided herein.

ARTICLE III
TERM

This agreement shall be and continue in full force and effect from the date of execution hereof until terminated only for due cause or at Messenger Subscriber's request. Messenger Subscriber agrees that Pipeline shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in any provision of the General Terms and Conditions applicable to this agreement. Pipeline agrees that Messenger Subscriber may protest or contest the aforementioned filings, and Messenger Subscriber does not waive any rights it may have with respect to such filings.

FORM OF AGREEMENT (Continued)
FOR MESSENGER

ARTICLE IV
ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Pipeline's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or regular mail to the post office address of the parties hereto, as the case may be, as follows:

(a) Pipeline: Marketing Department
P. O. Box 4967
Houston, TX 77210-4967

(b) Messenger Subscriber:

or such other address as either party shall designate by formal written notice.

ARTICLE V
INTERPRETATION

The Interpretation and performance of this agreement shall be in accordance with the laws of the State of Texas without recourse to the law regarding the conflict of laws.

This agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter, either State or Federal, and to all valid present and future orders, rules, and regulations of duly constituted authorities having jurisdiction.

FORM OF AGREEMENT (Continued)
FOR MESSENGER

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their respective Presidents, Vice Presidents, or other duly authorized agents the day and year first above written.

PANHANDLE EASTERN PIPE LINE COMPANY, LP
TRUNKLINE GAS COMPANY, LLC
SEA ROBIN PIPELINE COMPANY, LLC
TRUNKLINE LNG COMPANY, LLC
SOUTHWEST GAS STORAGE COMPANY

By: _____

_____
(Please print or type name)

Messenger Subscriber:

_____

By: _____

_____
(Please print or type name)

RATE SCHEDULE FS
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS STORAGE AGREEMENT, made and entered into this day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and ("Shipper"),

W I T N E S S E T H:

WHEREAS, Panhandle has available underground Gas storage capacity; and

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage and transportation service.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and desires to have the volumes hereinafter set forth (Stored Volume) injected into the storage facilities identified below for Shipper's account during the term hereof, up to the Maximum Stored Quantity, set out below, which shall be the maximum inventory Shipper may have injected into storage during the Injection Period as defined below and maintained in storage hereunder at any given time. Stored Volumes are to be withdrawn from storage and delivered to Shipper during the Withdrawal Period as defined below pursuant to the terms and conditions of this Storage Agreement, all in accordance with Section 2 of Rate Schedule FS and as restricted by the volumes and percentages set out below.

This contract is for Market Area Storage _____
This contract is for Field Area Storage _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Injection Period _____

Withdrawal Period _____

Maximum Stored Quantity _____ Dt.

Maximum Daily Injection Quantity _____ Dt./Day

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

RATE SCHEDULE FS
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

THIS STORAGE AGREEMENT, made and entered into this day of _____, _____, by and between PANHANDLE EASTERN PIPE LINE COMPANY, LP ("Panhandle"), a Delaware Limited Partnership, and ("Shipper"),

W I T N E S S E T H:

WHEREAS, Panhandle has available underground Gas storage capacity; and

WHEREAS, Shipper desires to purchase and Panhandle desires to provide certain storage and transportation service.

NOW, THEREFORE, Panhandle and Shipper do mutually agree as follows:

ARTICLE 1
DELIVERY OF THE STORED VOLUME

1.1 Shipper hereby agrees to purchase the storage service offered by Panhandle hereunder and desires to have the volumes hereinafter set forth (Stored Volume) injected into the storage facilities identified below for Shipper's account during the term hereof, up to the Maximum Stored Quantity, set out below, which shall be the maximum inventory Shipper may have injected into storage during the Injection Period as defined below and maintained in storage hereunder at any given time. Stored Volumes are to be withdrawn from storage and delivered to Shipper during the Withdrawal Period as defined below pursuant to the terms and conditions of this Storage Agreement, all in accordance with Section 2 of Rate Schedule FS and as restricted by the volumes and percentages set out below.

This contract is for Market Area Storage _____
This contract is for Field Area Storage _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Stored Quantity _____ Dt.

Maximum Daily Injection Quantity _____ Dt./Day

Maximum Daily Withdrawal Quantity _____ Dt./Day

Storage Point Number _____

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

Percentage of Stored Volume to the Maximum Stored Quantity	Available Withdrawal Quantities
100% - %	100% of MDWQ
< % - %	% of MDWQ
< % - 0%	% of MDWQ

1.2 In each year of the term of this Storage Agreement, Shipper may elect to retain a portion of its Stored Volume as carry-over volume (Carry-over Volume) to be left in storage during the succeeding Injection Period as set forth herein and withdrawn in the succeeding Withdrawal Period as set forth herein. Shipper may so retain up to 20% of its Maximum Stored Quantity for such carry-over without penalty. In the event the retained Carry-over Volume exceeds 20% of its Maximum Stored Quantity, Shipper will be subject to an additional percentage retention of Gas as set forth in Section 1.3. The sum of the Carry-over Volume and the volumes delivered by Shipper for storage during any period shall not exceed Shipper's Maximum Stored Quantity set forth in Section 1.1 of this Storage Agreement.

1.3 Shipper agrees to furnish, in addition to volumes delivered into storage, a volume of Gas equal to the percentage set out in effective Tariff Sheet No. 14 of such volumes delivered for injection into storage in each year of the term hereof to be retained by Panhandle for use as compressor fuel, plus an additional volume of Gas equal to the percentage set out in effective Tariff Sheet No. 14 of volumes delivered to Shipper in each year of the term hereof to be retained by Panhandle for use as compressor fuel. No compressor fuel need be furnished for volumes carried over from any Withdrawal Period as set forth herein unless Shipper retains more than 20% of its Maximum Stored Quantity in any year as Carry-over Volumes. In such event, pursuant to Section 1.2, such Carry-over Volumes in excess of 20% of Shipper's Maximum Stored Quantity shall be subject to a .25% additional compressor fuel retention by Panhandle.

1.4 Panhandle shall receive from Shipper and inject into storage each month during the Injection Period as set forth herein, Gas as nominated pursuant to the General Terms and Conditions.

1.5 Where Shipper has designated as the WS Point a point not located on Panhandle's system, then the maximum quantities for injection and withdrawal on any Day shall be subject to any restrictions or other limitations applicable to the lease or storage

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

Percentage of Stored Volume to the Maximum Stored Quantity	Available Withdrawal Quantities
100 % - __ %	100% of MDWQ = _____ Dt./day
<__ % - __ %	% of MDWQ = _____ Dt./day
<__ % - 0 %	% of MDWQ = _____ Dt./day

1.2 In each year of the term of this Storage Agreement, Shipper may elect to retain a portion of its Stored Volume as carry-over volume (Carry-over Volume) to be left in storage during the succeeding Injection Period as set forth herein and withdrawn in the succeeding Withdrawal Period as set forth herein. Shipper may so retain up to 20% of its Maximum Stored Quantity for such carry-over without penalty. In the event the retained Carry-over Volume exceeds 20% of its Maximum Stored Quantity, Shipper will be subject to an additional percentage retention of Gas as set forth in Section 1.3. The sum of the Carry-over Volume and the volumes delivered by Shipper for storage during any period shall not exceed Shipper's Maximum Stored Quantity set forth in Section 1.1 of this Storage Agreement.

1.3 Shipper agrees to furnish, in addition to volumes delivered into storage, a volume of Gas equal to the percentage set out in effective Tariff Sheet No. 14 of such volumes delivered for injection into storage in each year of the term hereof to be retained by Panhandle for use as compressor fuel, plus an additional volume of Gas equal to the percentage set out in effective Tariff Sheet No. 14 of volumes delivered to Shipper in each year of the term hereof to be retained by Panhandle for use as compressor fuel. No compressor fuel need be furnished for volumes carried over from any Withdrawal Period as set forth herein unless Shipper retains more than 20% of its Maximum Stored Quantity in any year as Carry-over Volumes. In such event, pursuant to Section 1.2, such Carry-over Volumes in excess of 20% of Shipper's Maximum Stored Quantity shall be subject to a .25% additional compressor fuel retention by Panhandle.

1.4 Panhandle shall receive from Shipper and inject into storage each month during the Injection Period as set forth herein, Gas as nominated pursuant to the General Terms and Conditions.

1.5 Where Shipper has designated as the WS Point a point not located on Panhandle's system, then the maximum quantities for injection and withdrawal on any Day shall be subject to any restrictions or other limitations applicable to the lease or storage

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

agreement between Panhandle and the owner or operator of the storage facility, in addition to the restrictions and limitations of this agreement and Rate Schedule FS.

ARTICLE 2
BILLING AND PAYMENT

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule FS filed with the Commission, as such rates and charges and Rate Schedule FS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule FS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule FS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually injected, withdrawn or stored (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually injected, withdrawn or stored); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm capacity charge or deliverability charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MSQ and/or MDWQ, as applicable.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit A hereto.

ARTICLE 3
POINTS OF RECEIPT AND DELIVERY

During the Injection Period Gas shall be received by Panhandle from Shipper for injection into storage and during the Withdrawal Period the Stored Volume withdrawn for the account of Shipper hereunder shall be delivered to Shipper, at the WS Point as defined in the General Terms and Conditions on a firm basis.

ARTICLE 4
TERM

4.1 This Agreement shall be effective from the date first stated above. Panhandle shall provide firm storage service for Shipper pursuant to this Agreement from until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 5
GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule FS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule FS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

ARTICLE 6
SUCCESSION AND ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7
NOTICES

Except as herein otherwise provided, any notice, request, demand, statement or bill provided for in this Storage Agreement and in the General Terms and Conditions of the Tariff and the Rate Schedules to which they apply, or any notices which either Panhandle or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail to the post office address of Panhandle or Shipper, or at such other address as either shall designate by formal written notice. Routine communications, including monthly statements and payments, shall be considered as delivered when mailed by either registered or ordinary mail. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: Not to be used for any other purpose	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and
Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule FS
Contract No.

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.9 of Rate Schedule FS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule FS set forth on effective Tariff Sheet No. 14, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule FS.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE FS (Continued)
FLEXIBLE STORAGE SERVICE
FORM OF STORAGE AGREEMENT

EXHIBIT A

Storage Agreement
For
Firm Service
Under Rate Schedule FS
Contract No.

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.9 of Rate Schedule FS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule FS set forth on effective Tariff Sheet No. 14, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule FS.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE LFT
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

This contract is Firm Seasonal Storage Related _____

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery quantities of Natural Gas up to the daily quantities (Dt./Day), which shall constitute the Maximum Daily Contract Quantity (MDCQ), stated on Exhibit A.

Service hereunder is provided on a firm basis subject to Panhandle's right to not schedule service in whole or in part on any Day, but not more than ten (10) Days in each Month.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule LFT.

Exhibit A hereto states the Point(s) of Receipt and Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof. Shipper's Maximum Daily Contract Quantity shall be assigned among the primary Point(s) of Receipt set out on Exhibit A, as well as among the primary Point(s) of Delivery set out on Exhibit A.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating a firm Point(s) of Receipt or firm Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities as are defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such firm Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule LFT filed with the Commission, as such rates and charges and Rate Schedule LFT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule LFT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule LFT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MDCQ.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit C hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule LFT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule LFT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule LFT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit B hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule LFT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule LFT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule LFT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic nominations of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: Not to be used for any other purpose	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Service Under
Rate Schedule LFT

and _____

Contract No. _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Service Under
Rate Schedule LFT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Service Under
Rate Schedule LFT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Service Under
Rate Schedule LFT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

Maximum Daily Contact Quantity for each specified period of the Agreement:

Effective from _____ through _____: _____ (Dt./Day)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Service Under
Rate Schedule LFT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Service Under
Rate Schedule LFT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Firm Service
Under Rate Schedule LFT
Contract No.

CUSTOMIZED RESERVATION PATTERN ELECTION

_____ (Shipper) hereby elects the Customized Reservation Pattern option in accordance with Section 3.10 of Panhandle's Rate Schedule LFT and hereby notifies Panhandle that it desires to be billed, and agrees to pay, the Reservation Charges elected from time to time for the period commencing November 1, _____ through October 31, _____.

Shipper acknowledges that this election is an alternative to the uniform monthly billing of reservation charges for Rate Schedule LFT set forth on effective Tariff Sheet No. 15, as revised from time to time, and that Shipper's election shall constitute its agreement to pay the otherwise applicable charges according to the payment schedule set forth in its election including such additional charges as may be required to ensure that the total applicable annual Reservation Charge obligations are paid in full. Shipper's election constitutes its waiver of reliance on uniform monthly billing requirements otherwise applicable for the affected months. Shipper hereby indemnifies Panhandle against and holds Panhandle harmless for any claims of Shipper or any person claiming through Shipper as to rights to billing different from those elected by Shipper.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RESERVED FOR FUTURE USE

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT C

Transportation Agreement
For
Firm Service
Under Rate Schedule LFT
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule LFT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule LFT set forth on effective Tariff Sheet No. 15, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule LFT.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT C DATED: _____

RATE SCHEDULE LFT (Continued)
LIMITED FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Firm Service
Under Rate Schedule LFT
Contract No. _____

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule LFT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule LFT set forth on effective Tariff Sheet No. 15, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule LFT.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RATE SCHEDULE GPS
GAS PARKING SERVICE
FORM OF SERVICE AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP, (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Shipper covenant and agree as follows:

ARTICLE 1 - SERVICE

1.1 Panhandle agrees to receive Gas for the Parking Account of Shipper and park, on an interruptible and capacity available basis, quantities of Natural Gas at any specified Parking point(s) on the Master Parking Point List as posted on the Messenger system at any time up to the Maximum Parked Quantity as follows:

Maximum Parked Quantity _____ Dt.

Shipper elects for Panhandle to manage its parking service at the following Pool Point:

Pool Point	Pooling Transportation Agreement
_____	_____

At no time shall Shipper's parked quantity exceed its Maximum Parked Quantity unless mutually agreed to by both parties in writing. Parked Quantities are to be delivered in accordance with Shipper's nominations pursuant to the terms and conditions of this agreement and Section 2 of Rate Schedule GPS.

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE
FORM OF SERVICE AGREEMENT

1.2 Shipper shall have the right to nominate for delivery to it at the specific Parking Point(s), as described in Rate Schedule GPS, on an interruptible basis, any portion of its Parked Quantity, up to the Maximum Parked Quantity, on any Day during the term hereof. In no event shall quantities delivered hereunder to Shipper ever exceed Shipper's Parked Quantity as defined in Section 1.1. Panhandle shall not be required to receive or deliver quantities of Gas on any Day for which there is insufficient available capacity under Shipper's Transportation Agreements to deliver Gas to or receive Gas from the Parking Point(s).

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide interruptible Parking service for Shipper pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule GPS filed with the Commission, as such rates and charges and Rate Schedule GPS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule GPS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule GPS and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) in a specified relationship to the Quantities actually parked (i.e.,

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE
FORM OF SERVICE AGREEMENT

that the rates shall be adjusted in a specified relationship to Quantities actually parked); or (e) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE
FORM OF SERVICE AGREEMENT

ARTICLE 4 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule GPS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule GPS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 5 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 6 - NOMINATIONS AND NOTICES

Periodic nominations of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE
FORM OF SERVICE AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: Not to be used for any other purpose	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE GPS (Continued)
GAS PARKING SERVICE
FORM OF SERVICE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

CAPACITY RELEASE
FORM OF SERVICE AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT is made effective as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Replacement Shipper").

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and Replacement Shipper covenant and agree as follows:

ARTICLE 1 - SERVICE

For each occasion that Replacement Shipper obtains a release of service rights from a Releasing Shipper, an Addendum in the form of Exhibit A, attached hereto will be made a part hereof. The specific terms and conditions of each release shall be reflected in each Addendum, which shall be incorporated and made a part of this Agreement, and which together shall constitute the terms and conditions of Panhandle's service for each release.

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery, on a firm basis, Quantities of Natural Gas up to the Maximum Daily Contract Quantity and/or Maximum Stored Quantity obtained from the Releasing Shipper. The Maximum Daily Contract Quantity is stated in delivered Quantities, for which received Quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedules applicable to the Releasing Shipper.

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above until _____, when this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions. Service shall commence and remain effective for a term coincidental for the term of each release of service rights identified in each Addendum.

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder (including any Addendum hereunder), Replacement Shipper agrees to pay Panhandle the maximum rate or the agreed upon rate for the release of service rights from the Releasing Shipper under Panhandle's Rate Schedule FT, EFT, LFT, IOS, WS, PS, FS or HFT filed with the Commission, as such rates and charges and Rate Schedules FT, EFT, LFT, IOS, WS, PS or FS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule FT, EFT, LFT, IOS, WS, PS, FS or HFT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3 (including each Addendum hereunder), Panhandle shall retain, as Fuel Reimbursement, the percentage of the Quantities received from Replacement Shipper hereunder, for reimbursement in kind from Replacement Shipper for fuel usage and unaccounted-for line loss as provided by the applicable Rate Schedule.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of the applicable Rate Schedule and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of the applicable Rate Schedules and the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - NOTICES

The Post Office addresses of both Panhandle and Shipper are as follows:

PANHANDLE

Payment: Panhandle Eastern Pipe Line Company, LP
P. O. Box 201202
Houston, Texas 77216-1202

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

PANHANDLE

Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

REPLACEMENT SHIPPER

Billing:

Nomination and
Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Replacement Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so.

REPLACEMENT SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

EXHIBIT A

Capacity Release Agreement No. _____
Addendum No. __
Capacity Release
Service Agreement
Between
Panhandle Eastern Pipe Line Company, LP
and

_____

Releasing Shipper
Contract No. _____

Releasing Shipper
Rate Schedule _____

Original Releasing
Shipper Contract No. _____

Regulation _____

Replacement Shipper's
Maximum Daily Quantity (Dt) _____

Permanent or Temporary Release _____

Conditions of Recall _____

Term of Release

Begin _____ End _____

Reservation Rate (including applicable surcharges) _____

Other Conditions

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

EXHIBIT A

Capacity Release Agreement No. _____
Addendum No. __

CAPACITY RIGHTS
Primary Points of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

CAPACITY RELEASE (Continued)
FORM OF SERVICE AGREEMENT

EXHIBIT A

Capacity Release Agreement No. _____
Addendum No. __

CAPACITY RIGHTS
Primary Points of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE HFT
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "Shipper"),

Shipper represents and warrants that Shipper conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

ARTICLE 1 - SERVICE

Panhandle agrees to receive at the Point(s) of Receipt and deliver at the Point(s) of Delivery, on a firm basis, quantities of Natural Gas up to the Maximum Daily Contract Quantity (MDCQ) over the Hourly Delivery Period selected by Shipper as stated on Exhibit A.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

The Maximum Daily Contract Quantity is stated in delivered quantities, for which received quantities must be adjusted for fuel usage and lost or unaccounted for Gas as set out in the then-effective, applicable rates and charges under Panhandle's Rate Schedule HFT.

Exhibit A hereto states the Point(s) of Receipt and Delivery. Exhibit A may be revised from time to time by written agreement between Panhandle and Shipper and, as may be revised, is by this reference incorporated in its entirety into this Agreement and made an integral part hereof. Shipper's Maximum Daily Contract Quantity shall be assigned among the primary Point(s) of Receipt set out on Exhibit A, as well as among the primary Point(s) of Delivery set out on Exhibit A. Such assignment may be changed, subject to the availability of capacity, in accordance with the General Terms and Conditions and Rate Shedule HFT.

Shipper recognizes that no Point(s) of Receipt or Point(s) of Delivery hereunder shall include a Point(s) of Receipt or Point(s) of Delivery on Panhandle's Gathering facilities, unless Shipper agrees to accept a completely separate Gathering service. By designating a firm Point(s) of Receipt or firm Point(s) of Delivery hereunder which is located only on Panhandle's Gathering facilities as defined in the General Terms and Conditions of Panhandle's FERC Gas Tariff, Third Revised Volume No. 1, Shipper shall be deemed to have requested such firm Gathering service.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide firm Transportation service for Shipper pursuant to this Agreement for the term stated on Exhibit A.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule HFT filed with the Commission, as such rates and charges and Rate Schedule HFT may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule HFT and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and Shipper may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule HFT and subject to the Regulations and Orders of the Commission. For example, Panhandle and Shipper may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Points of Receipt, Points of Delivery, mainline segments, transportation paths or defined geographical areas; (e) only to production reserves committed by the Shipper; (f) in a specified relationship to the Quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually transported); or (g) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MDCQ.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit C hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule HFT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule HFT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule HFT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and Shipper.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit B hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule HFT of the quantities received from Shipper hereunder, for reimbursement in kind from Shipper for fuel usage and unaccounted-for line loss.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule HFT and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule HFT and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or Shipper by merger, consolidation or acquisition. Either Panhandle or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, except as provided in Section 15 of the General Terms and Conditions, neither Panhandle nor Shipper shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

ARTICLE 7 - NOMINATIONS AND NOTICES

Periodic nominations of the quantities of service requested hereunder must be provided by Shipper to Panhandle, at the times and according to the procedures specified in the General Terms and Conditions and Rate Schedule HFT. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and Shipper are as follows:

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

PANHANDLE

Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (And nominations pursuant to Section 2.4 of Rate Schedule HFT)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

SHIPPER

Billing:

Nomination and
Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

IN WITNESS WHEREOF, both Panhandle and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule HFT

and _____

Contract No. _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Daily Contract Quantity _____ (Dt./Day)

Hourly Delivery Period _____ (hours/Day)

Hourly Delivery Quantity _____ (Dt./hour)

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule HFT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule HFT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
Between
Panhandle Eastern Pipe Line Company, LP
For
Firm Service
Under Rate Schedule HFT

and _____

Contract No. _____

Effective Date _____

Supersedes Exhibit A dated _____

For each specified period of the Agreement:

Effective from: _____ Through: _____

Maximum Daily Contract Quantity _____ (Dt./Day)

Hourly Delivery Period _____ (hours/Day)

Hourly Delivery Quantity _____ (Dt./hour)

SHIPPER:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule HFT

Primary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Delivery

Seq. No.	Delivered To	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Delivery on Panhandle's Master Delivery Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

SUPERSEDING

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule HFT

Primary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.	Quantity

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Secondary Point(s) of Receipt

Seq. No.	Received From	Function-alization/ Mileage	County	State	Meter No.

Effective from: _____ Through: _____

Description of Facilities

Seq. No.	Existing/ Proposed	Installed by	Operated and Maintained by	Atmos. Pres. (Psia)

Effective from: _____ Through: _____

Additionally, all Points of Receipt on Panhandle's Master Receipt Point List, as posted and as updated from time to time, are/are not incorporated by reference herein.

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Hourly Firm Service
Under Rate Schedule HFT
Contract No.

CUSTOMIZED RESERVATION PATTERN ELECTION

_____ (Shipper) hereby elects the Customized Reservation Pattern option in accordance with Section 3.10 of Panhandle's Rate Schedule HFT and hereby notifies Panhandle that it desires to be billed, and agrees to pay, the Reservation Charges elected from time to time for the period commencing November 1, _____ through October 31, _____.

Shipper acknowledges that this election is an alternative to the uniform monthly billing of reservation charges for Rate Schedule HFT set forth on effective Tariff Sheet No. 17, as revised from time to time, and that Shipper's election shall constitute its agreement to pay the otherwise applicable charges according to the payment schedule set forth in its election including such additional charges as may be required to ensure that the total applicable annual Reservation Charge obligations are paid in full. Shipper's election constitutes its waiver of reliance on uniform monthly billing requirements otherwise applicable for the affected months. Shipper hereby indemnifies Panhandle against and holds Panhandle harmless for any claims of Shipper or any person claiming through Shipper as to rights to billing different from those elected by Shipper.

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RESERVED FOR FUTURE USE

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT C

Transportation Agreement
For
Hourly Firm Service
Under Rate Schedule HFT
Contract No.

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule HFT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule HFT set forth on effective Tariff Sheet No. 17, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule HFT.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

SHIPPER: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT C DATED: _____

RATE SCHEDULE HFT (Continued)
HOURLY FIRM TRANSPORTATION SERVICE
FORM OF TRANSPORTATION AGREEMENT

EXHIBIT B

Transportation Agreement
For
Hourly Firm Service
Under Rate Schedule HFT
Contract No.

NEGOTIATED RATE AGREEMENT

Shipper agrees to the Negotiated Rate option in accordance with Section 3.11 of Rate Schedule HFT and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. Shipper acknowledges that this election is an alternative to the billing of charges for Rate Schedule HFT set forth on effective Tariff Sheet No. 17, as revised from time to time. Shipper also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule HFT.

Specification of Negotiated Rate:

SHIPPER: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT B DATED: _____

RATE SCHEDULE DVS
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

CONTRACT NO. _____

THIS AGREEMENT, made and entered into as of the _____ day of _____, _____, by and between:

PANHANDLE EASTERN PIPE LINE COMPANY, LP (hereinafter called "Panhandle"), a Delaware Limited Partnership,

and

(hereinafter called "DVS Party"),

DVS Party represents and warrants that DVS Party conforms to the requirements of 18 C.F.R.

Section 284.102 (284B - Intrastate Pipelines or Local Distribution Companies) _____
Section 284.221 (284G - Interstate Pipelines and Others) _____

DVS Party - Shipper (Article 1.1(a),(b) and (c) apply) _____
DVS Party - Delivery Point operator (Article 1.1 (a) and (b) apply) _____

In consideration of the mutual covenants and agreements as herein set forth, both Panhandle and DVS Party covenant and agree as follows:

ARTICLE 1 - SERVICE

1.1 DVS Party agrees to purchase the Delivery Variance Service offered by Panhandle and desires to have Panhandle manage on a firm basis the daily scheduling variances at a single Point of Delivery up to the Maximum Daily Variance Quantity (MDVQ) as follows:

(a) Maximum Daily Variance Quantity (MDVQ) _____ Dt.

(b) Description of Point of Delivery: _____

_____

(c) Underlying Transportation Service Agreement(s):

_____

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

1.2 The MDVQ shall not entitle the Shipper to take Quantities in excess of the MDCQ of the underlying Transportation Agreement(s).

1.3 If the DVS Party is a Shipper and the daily scheduling variance at the Point of Delivery exceeds the tolerance level, the MDVQ shall be added to the absolute value of the Shipper's calculated tolerance Quantity for the underlying Transportation Agreement(s) as provided under Section 12.11(h) of the General Terms and Conditions. Any variance then remaining shall be allocated back to the underlying Transportation Agreement(s) and shall be subject to the daily scheduling charge.

1.4 If the DVS Party operates a Point of Delivery, the MDVQ shall be added to the absolute value of the calculated tolerance Quantity for the delivery meter as provided in Section 12.11(h) of the General Terms and Conditions. Any variance then remaining shall be allocated back to the underlying Transportation Agreement(s) based on the predetermined allocation methodology for the designated Point of Delivery and shall be subject to the daily scheduling charge.

ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above. Panhandle shall provide firm delivery variance service for the DVS Party pursuant to this Agreement from _____ until _____, when the term of this Agreement shall expire, unless extended pursuant to Section 7.7 of the General Terms and Conditions.

ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, DVS Party agrees to pay Panhandle the then-effective, applicable rates and charges under Panhandle's Rate Schedule DVS filed with the Commission, as such rates and charges and Rate Schedule DVS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule DVS and the applicability thereof, the General Terms and Conditions or any other provisions of Panhandle's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

From time to time Panhandle and DVS Party may agree in writing, on a level of discount of the otherwise applicable rates and charges hereunder, pursuant to the effective applicable provisions of Rate Schedule DVS and subject to the Regulations and Orders of the Commission. For example, Panhandle and DVS Party may agree that a specified discounted rate shall apply: (a) only to certain Quantities under this Agreement; (b) only if specified Quantity

RATE SCHEDULE DVS (Continued)
DELILVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

levels are actually achieved or only with respect to Quantities below a specified level; (c) only during specified time periods; (d) only to specified Point(s) of Delivery, mainline segments, transportation paths or defined geographical areas; (e) in a specified relationship to the Quantities actually delivered (i.e., that the rates shall be adjusted in a specified relationship to Quantities actually delivered at the specified Point of Delivery); or (f) based on published index prices for specific receipt or delivery points or other agreed upon pricing reference points for price determination (Such discounted rate may be based on the published index price point differential or arrived at by formula. Any service agreement containing an index based discount will identify what rate component is discounted. To the extent the firm reservation charge is discounted, the index price differential rate formula shall be calculated to state a rate per unit of MDVQ.); provided, however, that any such discounted rate set forth above shall be between the Maximum Rate and Minimum Rate applicable to the service provided under this Agreement. In addition, the discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Panhandle's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, so long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission order accepts revised tariff sheets. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates which had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable. Any discount(s) shall be effective only on a prospective basis and as specified in the written agreement between Panhandle and DVS Party.

From time to time Panhandle and Shipper may agree to a Negotiated Rate for a specified term for service hereunder. Provisions governing such Negotiated Rate and term shall be set forth on Exhibit A hereto.

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Panhandle shall retain the percentage provided pursuant to Rate Schedule DVS of the Quantity of Gas applied to the Delivery Variance Service each Day, for reimbursement in kind from DVS Party for fuel usage and unaccounted-for line loss.

RATE SCHEDULE DVS (Continued)
DELILVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule DVS and the General Terms and Conditions of Panhandle's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Panhandle reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of Rate Schedule DVS and/or the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Panhandle or DVS Party by merger, consolidation or acquisition. Either Panhandle or DVS Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Panhandle nor DVS Party shall assign this Agreement or its rights hereunder without first having obtained the formal written consent of the other(s).

ARTICLE 7 - NOTICES

Except as otherwise specified, any notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Panhandle or DVS Party may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills (but excluding payments otherwise provided for in the General Terms and Conditions) shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Panhandle and DVS Party are as follows:

	PANHANDLE
Payment:	Panhandle Eastern Pipe Line Company, LP P. O. Box 201202 Houston, Texas 77216-1202
Nomination and Scheduling:	Panhandle Eastern Pipe Line Company, LP Attn: Marketing Operations P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 962-9862 Fax: (713) 286-5402
Pipeline Emergencies: (Not to be used for any other purpose)	Panhandle Eastern Pipe Line Company, LP Attn: Gas Control P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-5623 Toll Free: 1-800-225-3913
All Other:	Panhandle Eastern Pipe Line Company, LP Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

DVS PARTY

Billing:

Nomination and
Scheduling: (1)

All Other:

(1) Please provide street address in addition to mailing address.

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

IN WITNESS WHEREOF, both Panhandle and DVS Party have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so, as of the date first stated above.

DVS PARTY:	PANHANDLE EASTERN PIPE LINE COMPANY, LP
By _____	By _____
_____ (Please type or print name)	_____ (Please type or print name)
Title _____	Title _____
EXECUTED _____, _____ (Date)	EXECUTED _____, _____ (Date)

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule DVS
Contract No.

NEGOTIATED RATE AGREEMENT

DVS Party agrees to the Negotiated Rate option in accordance with Section 3.6 of Rate Schedule DVS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. DVS Party acknowledges that this election is an alternative to the billing of charges for Rate Schedule DVS set forth on effective Tariff Sheet No. 18, as revised from time to time. DVS Party also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule DVS.

Specification of Negotiated Rate:

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DVS PARTY: _____

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____

RATE SCHEDULE DVS (Continued)
DELIVERY VARIANCE SERVICE
FORM OF SERVICE AGREEMENT

EXHIBIT A

Transportation Agreement
For
Firm Service
Under Rate Schedule DVS
Contract No.

NEGOTIATED RATE AGREEMENT

DVS Party agrees to the Negotiated Rate option in accordance with Section 3.6 of Rate Schedule DVS and notifies Panhandle that it desires to be billed, and agrees to pay, the charges specified below for the period commencing _____, _____ and continuing until _____, _____. DVS Party acknowledges that this election is an alternative to the billing of charges for Rate Schedule DVS set forth on effective Tariff Sheet No. 18, as revised from time to time. DVS Party also acknowledges that its election constitutes waiver of its reliance on and its right to use the recourse rates which are available to it under the Rate Schedule DVS.

Specification of Negotiated Rate:

DVS PARTY: _____

BY: _____

_____
(Please type or print name)

PANHANDLE EASTERN PIPE LINE COMPANY, LP

BY: _____

_____
(Please type or print name)

DATED: _____

SUPERSEDES EXHIBIT A DATED: _____