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*FERC Docket: RP10-550-000*

**First Revised Sheet No. 0** Gas Transmission Northwest Corporation: Third Revised Volume No. 1-A

First Revised Sheet No. 0

Superseding: Original Sheet No. 0

FERC GAS TARIFF

THIRD REVISED VOLUME NO. 1-A

OF

GAS TRANSMISSION NORTHWEST CORPORATION

FILED WITH THE

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning This Tariff  
Should Be Addressed To:

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Manager, Tariffs and Compliance  
Gas Transmission Northwest Corporation  
Mailing Address: P.O. Box 2446  
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**First Revised Sheet No. 1** First Revised Sheet No. 1 : Effective  
Superseding: Original Sheet No. 1

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*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Original Sheet No. 2** Original Sheet No. 2 : Effective

PRELIMINARY STATEMENT

Gas Transmission Northwest Corporation (GTN) is a natural gas company which owns and operates a natural gas pipeline system extending from the International Boundary in the vicinity of Kingsgate, British Columbia, through parts of Idaho, Washington and Oregon to the California boundary.

GTN offers open access transportation service under Part 284 of the Commission's regulations in Third Revised Volume No. 1-A of this FERC Gas Tariff. These services include transportation services authorized by the Federal Energy Regulatory Commission as listed in the Table of Contents.

Prior to January 1, 1998, GTN was known as "Pacific Gas Transmission Company" or "PGT." References to Pacific Gas Transmission Company or PGT within GTN's existing Service Agreements or similar documents shall be deemed to refer to GTN.

The transportation of natural gas is undertaken by GTN only under written service agreements acceptable to GTN after consideration of its commitments, delivery capacity, and other pertinent factors.

This FERC Gas Tariff is filed in compliance with Part 154, Subpart E, Title 18 of the Code of Federal Regulations.

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

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

[MAP]

Effective Date: 01/01/2007 Status: Pending

FERC Docket: RP06-407-008

**Fourth Sub Ninth Revised Sheet No. 4** Fourth Sub Ninth Revised Sheet No. 4 : Pending

Superseding: Third Substitute Ninth Revised Sheet No.

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS  
Rate Schedules FTS-1 and LFS-1

	RESERVATION		DAILY		DAILY		DELIVERY (c)		FUEL (d)	
	DAILY MILEAGE (a) (Dth-MILE)		NON-MILEAGE (b) (Dth)		DELIVERY (c) (Dth-MILE)		DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth)	
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.000463	0.000000	0.036632	0.000000	0.000016	0.000016	0.0050%	0.0000%		
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%		
EXTENSION CHARGES										
MEDFORD										
E-1 (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---		
E-2 (g) (1) (WWP)	0.006517	0.000000	---	---	0.000000	0.000000	---	---		
E-2 (h) (1) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---		
E-2 (h) (1) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---		
COYOTE SPRINGS										
E-3 (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---		
OVERRUN CHARGE (j)	---	---	---	---	---	---	---	---		
SURCHARGES										
ACA (k)	---	---	---	---	0.001600	0.001600	---	---		

Effective Date: 11/01/2007 Status: Pending

FERC Docket: RP06-407-007

**Twelfth Revised Sheet No. 4** Twelfth Revised Sheet No. 4 : Pending

Superseding: Eleventh Revised Sheet No. 4

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS  
Rate Schedules FTS-1 and LFS-1

	RESERVATION							
	DAILY		DAILY		DELIVERY (c)		FUEL (d)	
	MILEAGE (a)		NON-MILEAGE (b)		(Dth-MILE)		(Dth)	
	(Dth-MILE)		(Dth)					
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.000463	0.000000	0.036632	0.000000	0.000016	0.000016	0.0050%	0.0000%

EXTENSION CHARGES

MEDFORD

E-1(f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
E-2(g) (WWP)	0.007402	0.000000	---	---	0.000000	0.000000	---	---
E-2(h) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---
E-2(h) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---

COYOTE SPRINGS

E-3(i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
--------	----------	----------	----------	----------	----------	----------	-----	-----

OVERRUN CHARGE (j)

---	---	---	---	---	---	---	---	---
-----	-----	-----	-----	-----	-----	-----	-----	-----

SURCHARGES

ACA (k)	---	---	---	---	0.001900	0.001900	---	---
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Effective Date: 11/01/2007 Status: Pending

FERC Docket: RP06-407-008

**Substitute Eleventh Revised Sheet No. 4** Substitute Eleventh Revised Sheet No. 4 : Pending

Superseding: Substitute Tenth Revised Sheet No. 4

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS  
Rate Schedules FTS-1 and LFS-1

	RESERVATION		DAILY		DAILY		DELIVERY (c)		FUEL (d)	
	DAILY MILEAGE (a) (Dth-MILE)		NON-MILEAGE (b) (Dth)		DELIVERY (c) (Dth-MILE)		DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth)	
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.000463	0.000000	0.036632	0.000000	0.000016	0.000016	0.0050%	0.0000%		
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%		
EXTENSION CHARGES										
MEDFORD										
E-1 (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---		
E-2 (g) (1) (WWP)	0.007402	0.000000	---	---	0.000000	0.000000	---	---		
E-2 (h) (1) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---		
E-2 (h) (1) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---		
COYOTE SPRINGS										
E-3 (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---		
OVERRUN CHARGE (j)	---	---	---	---	---	---	---	---		
SURCHARGES										
ACA (k)	---	---	---	---	0.001900	0.001900	---	---		

Effective Date: 01/01/2008 Status: Pending

FERC Docket: RP06-407-008

**Sub Thirteenth Revised Sheet No. 4** Sub Thirteenth Revised Sheet No. 4 : Pending

Superseding: Substitute Twelfth Revised Sheet No. 4

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS  
Rate Schedules FTS-1 and LFS-1

	RESERVATION		RESERVATION					
	DAILY MILEAGE (a) (Dth-MILE)		DAILY NON-MILEAGE (b) (Dth)		DELIVERY (c) (Dth-MILE)		FUEL (d) (Dth)	
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.000463	0.000000	0.036632	0.000000	0.000016	0.000016	0.0050%	0.0000%
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
E-2 (g) (1) (WWP)	0.007382	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (1) (Diamond 1)	0.002964	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (1) (Diamond 2)	0.001163	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
OVERRUN CHARGE (j)	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	0.001900	0.001900	---	---



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FERC Docket: RP10-550-000

**Nineteenth Revised Sheet No. 4** Nineteenth Revised Sheet No. 4

Superseding: Eighteenth Revised Sheet No. 4

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS  
Rate Schedules FTS-1 and LFS-1

	RESERVATION							
	DAILY		DAILY					
	MILEAGE (a)		NON-MILEAGE (b)		DELIVERY (c)		FUEL (d)	
	(Dth-MILE)		(Dth)		(Dth-MILE)		(Dth-MILE)	
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.000463	0.000000	0.036632	0.000000	0.000016	0.000016	0.0050%	0.0000%
STF (e)	(e)	0.000000	(e)	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES								
MEDFORD								
E-1 (f)	0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
E-2 (g) (1) (WWP)	0.008346	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (1) (Diamond 1)	0.002972	0.000000	---	---	0.000000	0.000000	---	---
E-2 (h) (1) (Diamond 2)	0.001166	0.000000	---	---	0.000000	0.000000	---	---
COYOTE SPRINGS								
E-3 (i)	0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
OVERRUN CHARGE (j)								
	---	---	---	---	---	---	---	---
SURCHARGES								
ACA (k)	---	---	---	---	0.001900	0.001900	---	---

Effective Date: 01/01/2007 Status: Pending

FERC Docket: RP06-407-008

**Second Sub Fourth Revised Sheet No. 5** Second Sub Fourth Revised Sheet No. 5 : Pending  
Superseding: Substitute Fourth Revised Sheet No. 5

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS (a)  
Rate Schedule ITS-1

MILEAGE (n) (Dth-Mile)		NON-MILEAGE (o) (Dth)		DELIVERY (c) (Dth-Mile)		FUEL (d) (Dth-Mile)	
MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	(e) 0.000000	(e) 0.000000	0.000016	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES							
MEDFORD							
E-1 (Medford) (f)							
0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
COYOTE SPRINGS							
E-3 (Coyote Springs) (i)							
0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
SURCHARGES							
ACA (k)							
---	---	0.001600	0.001600	---	---	---	---

(Continued)

Effective Date: 11/01/2007 Status: Pending

FERC Docket: RP06-407-007

**Sixth Revised Sheet No. 5** Sixth Revised Sheet No. 5 : Pending

Superseding: Fifth Revised Sheet No. 5

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR

TRANSPORTATION OF NATURAL GAS (a)

Rate Schedule ITS-1

	MILEAGE (n) (Dth-Mile)		NON-MILEAGE (o) (Dth)		FUEL (d) (Dth)	
	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	0.000479	0.000016	0.036632	0.000000	0.0050%	0.0000%
EXTENSION CHARGES						
MEDFORD						
E-1 (Medford) (f)	0.003316	0.000026	0.005498	0.000000	----	----
COYOTE SPRINGS						
E-3 (Coyote Springs) (i)	0.001412	0.000000	0.001420	0.000000	----	----
SURCHARGES						
ACA (k)	---	---	0.001900	0.001900	---	---

(Continued)

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FERC Docket: RP06-407-008

**Substitute Sixth Revised Sheet No. 5** Substitute Sixth Revised Sheet No. 5 : Pending

Superseding: Substitute Fifth Revised Sheet No. 5

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS (a)  
Rate Schedule ITS-1

MILEAGE (n) (Dth-Mile)		NON-MILEAGE (o) (Dth)		DELIVERY (c) (Dth-Mile)		FUEL (d) (Dth-Mile)	
MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	(e) 0.000000	(e) 0.000000	0.000016	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES							
MEDFORD							
E-1 (Medford) (f)							
0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
COYOTE SPRINGS							
E-3 (Coyote Springs) (i)							
0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
SURCHARGES							
ACA (k)							
---	---	0.001900	0.001900	---	---	---	---

(Continued)

Effective Date: 10/01/2009 Status: Effective

FERC Docket: RP09-1020-000

**Eighteenth Revised Sheet No. 5** Eighteenth Revised Sheet No. 5

Superseding: Seventh Revised Sheet No. 5

STATEMENT OF EFFECTIVE RATES AND CHARGES FOR  
TRANSPORTATION OF NATURAL GAS (a)  
Rate Schedule ITS-1

MILEAGE (n) (Dth-Mile)		NON-MILEAGE (o) (Dth)		DELIVERY (c) (Dth-Mile)		FUEL (d) (Dth-Mile)	
MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM	MAXIMUM	MINIMUM
BASE	(e) 0.000000	(e) 0.000000	0.000000	0.000016	0.000016	0.0050%	0.0000%
EXTENSION CHARGES							
MEDFORD							
E-1 (Medford) (f)							
0.003290	0.000000	0.005498	0.000000	0.000026	0.000026	---	---
COYOTE SPRINGS							
E-3 (Coyote Springs) (i)							
0.001412	0.000000	0.001420	0.000000	0.000000	0.000000	---	---
SURCHARGES							
ACA (k)							
---	---	0.001900	0.001900	---	---	---	---

(Continued)

Effective Date: 01/01/2007 Status: Effective

FERC Docket: RP06-407-000

**Eighth Revised Sheet No. 6** Eighth Revised Sheet No. 6 : Effective

Superseding: Seventh Revised Sheet No. 6

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS

Notes:

- (a) The mileage component shall be applied per pipeline mile to gas transported by GTN for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult GTN's system map on Sheet 3 for receipt and delivery point and milepost designations.
- (b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.
- (c) The delivery rates are applied per pipeline mile to gas transported by GTN for delivery to shipper based on distance of gas transported. Consult GTN's system map on Sheet No. 3 for receipt and delivery point and milepost designations.
- (d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Paragraph 37 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. The incremental fuel surcharge, initially established for Shippers utilizing capacity constructed as part of GTN's 2002 Pipeline Expansion Project at 0.000854% per Dth per pipeline mile, shall be adjusted downward as new long-term Shippers take capacity that is subject to the incremental fuel surcharge pursuant to Paragraph 38 of GTN's General Terms and Conditions. Currently effective fuel charges, including GTN's currently effective incremental fuel surcharge, may be found on GTN's Internet website under "Informational Postings."
- (e) Maximum reservation rates for Short-Term Firm service under Rate Schedule FTS-1 are equal to two and one-half times the applicable non-mileage and mileage FTS-1 Base Reservation components.
- (f) Applicable to firm service on GTN's Medford Extension.

(Continued)

Effective Date: 11/01/2007 Status: Pending

FERC Docket: RP06-407-007

**Ninth Revised Sheet No. 6** Ninth Revised Sheet No. 6 : Pending

Superseding: Eighth Revised Sheet No. 6

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS

Notes:

- (a) The mileage component shall be applied per pipeline mile to gas transported by GTN for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult GTN's system map on Sheet 3 for receipt and delivery point and milepost designations.
- (b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.
- (c) The delivery rates are applied per pipeline mile to gas transported by GTN for delivery to shipper based on distance of gas transported. Consult GTN's system map on Sheet No. 3 for receipt and delivery point and milepost designations.
- (d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Paragraph 37 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. The incremental fuel surcharge, initially established for Shippers utilizing capacity constructed as part of GTN's 2002 Pipeline Expansion Project at 0.000854% per Dth per pipeline mile, shall be adjusted downward as new long-term Shippers take capacity that is subject to the incremental fuel surcharge pursuant to Paragraph 38 of GTN's General Terms and Conditions. Currently effective fuel charges, including GTN's currently effective incremental fuel surcharge, may be found on GTN's Internet website under "Informational Postings."
- (e) Reserved For Future Use.
- (f) Applicable to firm service on GTN's Medford Extension.

(Continued)

Effective Date: 02/01/2008 Status: Pending

FERC Docket: RP06-407-008

**Substitute Ninth Revised Sheet No. 6** Substitute Ninth Revised Sheet No. 6 : Pending

Superseding: Substitute Eighth Revised Sheet No. 6

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS

Notes:

- (a) The mileage component shall be applied per pipeline mile to gas transported by GTN for delivery to shipper based on the primary receipt and delivery points in Shipper's contract. Consult GTN's system map on Sheet 3 for receipt and delivery point and milepost designations.
- (b) The non-mileage component is applied per Shipper's MDQ at Primary Point(s) of Delivery on Mainline Facilities.
- (c) The delivery rates are applied per pipeline mile to gas transported by GTN for delivery to shipper based on distance of gas transported. Consult GTN's system map on Sheet No. 3 for receipt and delivery point and milepost designations.
- (d) Fuel Use: Shipper shall furnish gas used for compressor station fuel, line loss, and other utility purposes, plus other unaccounted-for gas used in the operation of GTN's combined pipeline system in an amount equal to the sum of the current fuel and line loss percentage and the fuel and line loss percentage surcharge in accordance with Paragraph 37 of this tariff, multiplied by the distance in pipeline miles transported from the receipt point to the delivery point multiplied by the transportation quantities of gas received from Shipper under these rate schedules. The current fuel and line loss percentage shall be adjusted each month between the maximum rate of 0.0050% per Dth per pipeline mile and the minimum rate of 0.0000% per Dth per mile. The fuel and line loss percentage surcharge is 0.0000% per Dth per pipeline mile. No fuel use charges will be assessed for backhaul service. Currently effective fuel charges may be found on GTN's Internet website under "Informational Postings."



Effective Date: 01/01/2007 Status: Pending

FERC Docket: RP06-407-008

Original Sheet No. 6A Original Sheet No. 6A : Pending

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS

Notes: (Continued)

(e) (Continued)

Seasonal recourse rates apply to short-term firm (STF) service under Rate Schedule FTS-1 (i.e., firm service that has a term of less than one year and that does not include multiple-year seasonal service) and IT Service under Rate Schedule ITS-1. Pursuant to the Stipulation and Agreement approved by the Commission in Docket No. RP06-407-000, by March 1 of each year GTN may designate up to four (4) months as peak months during a twelve-month period beginning on June 1 of the same year through May 31 of the following year. All other months will be considered off-peak months. Reservation rate components that apply to STF service and per-unit-rate IT service are as follows (delivery charges and applicable surcharges continue to apply):

	4 Peak Mos.	3 Peak Mos.	2 Peak Mos.	1 Peak Mo.	0 Peak Mos.
Peak NM Res.	\$0.051285	\$0.051285	\$0.051285	\$0.051285	\$0.036632
Peak Mi. Res.	\$0.000648	\$0.000648	\$0.000648	\$0.000648	\$0.000463
Off-Pk NM Res.	\$0.029306	\$0.031749	\$0.033701	\$0.035299	\$0.036632
Off-Pk Mi. Res.	\$0.000370	\$0.000401	\$0.000426	\$0.000446	\$0.000463

Months currently designated as "Peak Months" may be found on GTN's Internet website under "Informational Postings." By March 1 of each year, GTN will post the Peak Months for the upcoming twelve-month period beginning June 1 of the same year.

(f) Applicable to firm service on GTN's Medford Extension.

Effective Date: 01/01/2007 Status: Effective

FERC Docket: RP07- 85-000

**First Revised Sheet No. 7** First Revised Sheet No. 7 : Effective

Superseding: Original Sheet No. 7

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS

Notes: (Continued)

(g) Under the terms of the July 29, 1994 Agreement (Agreement) between GTN and The Washington Water Power Company (WWP) (expressly incorporated herein), the initial negotiated rate is \$0.163955 per Dth-mile, which is designed by dividing first-year annual revenues of \$3.9 million by Dth-mile demand billing determinants of 23,787,000 (22,500 Dth/d x 12 months x 88.1 miles). Each year thereafter, until the end of the primary term of the Agreement, the rate shall increase or decrease by the same overall percentage increase or decrease in a "Benchmark" rate based on PacifiCorp's average electric rate in effect during the preceding contract year under its Residential Rate Schedule 4, or superseding Rate Schedule (or those of its subsidiaries, successors, assigns, or of substitute service providers) applicable to residential heating service for a residential customer utilizing 1,000 kilowatt hours per month. That Benchmark rate shall encompass all of the rate components of the aforementioned Rate Schedule. The Agreement provides for recovery of any "deficiency" amounts (plus carrying costs at GTN's allowed rate of return on investment for the applicable period) over the primary term of the Agreement to the extent permitted by increases in the foregoing electric rates. WWP's first-year deficiency amount of \$3.394 million is equal to WWP's revenue responsibility at the maximum E-2 (Medford) rates, or \$7.294 million [(22,500 Dth/d x 12 months x 88.1 miles x maximum Reservation Charge) + (22,500 Dth/d x 365 days x 88.1 miles x 95% load factor x maximum Delivery Charge)], less WWP's first-year revenue responsibility of \$3.9 million. For each contract year after the end of the primary term of the Agreement, the rate shall equal GTN's then-effective rate as set forth in the applicable tariff for firm transportation service on the Medford Extension. In the event that GTN recovers the "deficiency" amounts of the Firm Transportation Service Agreement during the primary term, WWP shall pay the then-applicable tariff rate for firm transportation service on the Medford Extension (E-1) or successor rate. GTN shall file an annual report with the Commission specifying (a) the calculation of the Medford Extension cost-of-service; (b) the revenues collected under the Medford (E-2) Rate; (c) the deferred cost recovery mechanism account balance, including carrying charges; and (d) workpapers detailing the computations.

(h) Applies to Diamond Energy service, which commences 1998. Rate is negotiated reservation charge of \$0.002972 per Dth per day for first 45,000 Dth/d and \$0.001166 per Dth per day for the second 45,000 Dth/d. Revenues will be applied to annual revenue requirement on the Medford Extension.

(Continued)

*Effective Date: 10/01/2009    Status: Effective*

*FERC Docket: RP09-1020-000*

**Eighth Revised Sheet No. 8** Eighth Revised Sheet No. 8

Superseding: Seventh Revised Sheet No. 8

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS

Notes: (Continued)

(i)        Applicable to firm service on GTN's Coyote Springs Extension.

(j)        The Overrun Charge shall be equal to the rates and charges set forth for interruptible service under Rate Schedule ITS-1.

(k)        In accordance with Paragraph 22 of the Transportation General Terms and Conditions of this FERC Gas Tariff, Third Revised Volume No. 1-A, all Transportation services that involve the physical movement of gas shall pay an ACA unit adjustment of \$0.0019 per Dth. This adjustment shall be in addition to the Base Tariff Rate(s) specified above.

(l)        Daily reservation charges will be reset for leap years.

(m)        Reserved.

(n)        The Rate Schedule ITS-1 Mileage Component shall be applied per pipeline mile to gas transported by GTN based on the distance of gas transported. Consult GTN's system map on Sheet No. 3 for receipt and delivery point and milepost designations.

(o)        The Rate Schedule ITS-1 Non-Mileage Component shall be applied per Dth of gas transported by GTN for immediate delivery to the facilities of another entity or an extension facility

(Continued)

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 9 - 10** Sheet Nos. 9 - 10 :    Effective

Reserved For Future Use

Effective Date: 11/01/2003 Status: Effective

FERC Docket: RP04- 23-001

**First Revised Sheet No. 11** First Revised Sheet No. 11 : Effective

Superseding: Original Sheet No. 11

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

Competitive Equalization Surcharge

Shippers to whom the Competitive Equalization Surcharge applies pursuant to Section 3.1(d) of Rate Schedule FTS-1, other than shippers obtaining service pursuant to Section 28 of the General Terms and Conditions are:

Shipper	Quantity (Dth/d)	Path	Contract No.
Avista Energy, Inc.	20,000	Kingsgate-Malin	F-06430
Duke Energy Trading and Marketing, LLC	5,000	Kingsgate-Malin	F-06432
Encana Marketing (USA) Inc.	10,000	Kingsgate-Malin	F-08616
Burlington Resources Trading, Inc.	13,392	Kingsgate-Stanfield	F-06431
Calpine Energy Services, L.P.	35,800	Kingsgate-Malin	F-08096
Cascade Natural Gas Corporation	20,380	Kingsgate-Malin (Winter Only Nov.-Apr.)	F-08488
PPM Energy, Inc.	45,000	Kingsgate-Malin	F-08554
Avista Corporation	16,500	Kingsgate-Stanfield	F-08465

Effective Date: 01/01/2007 Status: Effective

FERC Docket: RP06-407-003

**Substitute Fourth Revised Sheet No. 12** Substitute Fourth Revised Sheet No. 12 : Effective  
Superseding: Third Revised Sheet No. 12

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS FOR  
PARKING AND AUTHORIZED IMBALANCE SERVICES  
(\$/Dth)

Rate Schedule and Type of Charge	Base Tariff Rate	
	Minimum	Maximum
PS-1 Parking Service:	0.0	0.351484/d
AIS-1 Authorized Imbalance Service:	0.0	0.351484/d

Notes:

(Continued)

Effective Date: 11/01/2007 Status: Pending

FERC Docket: RP06-407-007

**Fifth Revised Sheet No. 12** Fifth Revised Sheet No. 12 : Pending

Superseding: Substitute Fourth Revised Sheet No. 12

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS FOR  
PARKING AND AUTHORIZED IMBALANCE SERVICES  
(\$/Dth)

Rate Schedule and Type of Charge	Base Tariff Rate	
	Minimum	Maximum
PS-1 Parking Service:	0.0	0.259253/d
AIS-1 Authorized Imbalance Service:	0.0	0.259253/d

Notes:

(Continued)

Effective Date: 11/01/2007 Status: Pending

FERC Docket: RP06-407-008

**Substitute Fifth Revised Sheet No. 12** Substitute Fifth Revised Sheet No. 12 : Pending  
Superseding: Second Sub Fourth Revised Sheet No. 12

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS FOR  
PARKING AND AUTHORIZED IMBALANCE SERVICES  
(\$/Dth)

Rate Schedule and Type of Charge	Base Tariff Rate	
	Minimum	Maximum
PS-1 Parking Service:	0.0	0.259253/d
AIS-1 Authorized Imbalance Service:	0.0	0.259253/d

Notes:

(Continued)



*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 13 - 14** Sheet Nos. 13 - 14 :    Effective

Reserved For Future Use

Effective Date: 07/01/2005 Status: Pending

FERC Docket: RP99-518-074

**Twenty-Second Revised Sheet No. 15** Twenty-Second Revised Sheet No. 15 : Pending

Superseding: Twenty-First Revised Sheet No. 15

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH/D	Primary Receipt Point	Primary Delivery Point	Rate /2 /3
Avista Corporation /1	11/1/01 - 10/31/25	FTS-1	20,000	Medford	Medford Ext. Meter	/7
Coral Energy Resources, LP /1	04/1/03 - 07/31/05	FTS-1	20,000	Malin	Kingsgate	/10

Effective Date: 05/01/2008 Status: Pending

FERC Docket: RP99-518-106

**Forty-Fourth Revised Sheet No. 15** Forty-Fourth Revised Sheet No. 15 : Pending  
Superseding: Forty-Third Revised Sheet No. 15

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH/D	Primary Receipt Point	Primary Delivery Point	Rate /2 /3
Avista Corporation /1	11/1/01 - 10/31/25	FTS-1	20,000	Medford	Medford Ext. Meter	/7
Coral Energy Resources, LP /1	04/1/03 - /10	FTS-1	20,000	Malin	Kingsgate	/10
Eagle Energy Partners I, LP /1	05/1/08 - 05/31/08	FTS-1	50,000	Stanfield	Malin	/11
Eagle Energy Partners I, LP /1	06/1/08 - 10/31/08	FTS-1	50,000	Kingsgate	Malin	/12

Effective Date: 06/01/2010 Status: Effective

FERC Docket: RP10-795-000

**Forty-Ninth Revised Sheet No. 15** Forty-Ninth Revised Sheet No. 15  
Superseding: Forty-Eighth Revised Sheet No. 15

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH/D	Primary Receipt Point	Primary Delivery Point	Rate /2 /3
Avista Corporation /1	11/1/01 - 10/31/25	FTS-1	20,000	Medford	Medford Ext. Meter	/7
Coral Energy Resources, LP /1	04/1/03 - /10	FTS-1	20,000	Malin	Kingsgate	/10
Powerex Corp. /1	11/1/09- 10/31/10	FTS-1	20,000	Kingsgate	Malin	/13
EDF Trading North America, LLC /1	04/1/10- 03/31/11	FTS-1	100,000	Kingsgate	Malin	/17
EDF Trading North America, LLC /1	06/1/10- 10/31/10	FTS-1	50,000	Kingsgate	Malin	/18

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet No. 16** Sheet No. 16 : Effective

Reserved For Future Use

Effective Date: 10/01/2006 Status: Effective  
FERC Docket: RP99-518-095

**Eighth Revised Sheet No. 17** Eighth Revised Sheet No. 17 : Effective  
Superseding: Seventh Revised Sheet No. 17

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

1/ This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.

2/ Unless otherwise noted, all Shippers pay GTN's maximum Reservation Charge, Delivery Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.

3/ Index Price References: Unless otherwise noted, references to "Daily Index Price" shall mean the price survey midpoint for the specified point as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the next available Gas Daily publication. Unless otherwise noted, the references to the "NGI FOM" for a specified point shall mean Natural Gas Intelligence's First of Month Bid Week Survey (Supplement to NGI's Weekly Gas Index) Spot Gas Price for the specified point.

4/ The Reservation Rate shall be \$0.08/Dth/day. The Delivery Rate shall be \$0.02/Dth/day inclusive of ACA. Fuel shall be reimbursed in-kind at the applicable monthly percentage as posted on GTN's Internet website.

5/ The Reservation Rate shall be \$0.025/Dth/day. Each day, the Delivery Rate (inclusive of ACA) shall apply on a tiered basis as follows:

First 5,000 Dth - \$0.02/Dth  
Second 5,000 Dth - \$0.05/Dth

6/ The Reservation Rate shall be \$0.02/Dth/day. The Delivery Rate shall be \$0.02/Dth/day inclusive of ACA. Fuel shall be reimbursed in-kind at the applicable monthly percentage as posted on GTN's Internet website.

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-001

**First Revised Sheet No. 18** First Revised Sheet No. 18 : Effective

Superseding: Original Sheet No. 18

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/7 The Reservation charge shall be equal to the rate set forth in GTN's FERC Gas Tariff identified as FTS-1 E-2 (WWP), or its successor, multiplied by the appropriate Effective Period Percentage as shown in the following table.

Effective Period	Percentage
11/1/01-10/31/02	75%
11/1/02-10/31/03	80%
11/1/03-10/31/04	85%
11/1/04-10/31/05	90%
11/1/05-10/31/06	95%
11/1/06-10/31/25	100%

The Daily Delivery Charge shall be equal to the 100% load factor equivalent of the FTS-1 E-2 rate, or its successor, and shall be multiplied by the positive difference between (a) volumes delivered and (b) the contract MDQ times the appropriate Effective Period Percentage.

Daily Delivery Charge = [Dth Delivered - (MDQ \* Effective Period %)] \* 100%  
Load Factor Equivalent FTS-1 E-2

/8 Reserved

**Effective Date: 10/01/2009    Status: Effective**

**FERC Docket: RP09-1020-000**

**Eighth Revised Sheet No. 19** Eighth Revised Sheet No. 19

Superseding: Seventh Revised Sheet No. 19

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/9    Reserved

/10 The Reservation Rate shall be \$0.02/Dth applied to the MDQ of the Agreement. In addition to the Reservation Rate, Coral shall pay commodity charges based on the actual gas transported. The Commodity Rate shall be redetermined daily and will equal (the Gas Daily Midpoint Price for PG&E, Malin minus the Gas Daily Midpoint Price for Stanfield, Ore. minus an Allowance for GTN Fuel minus \$0.004356/Dth minus ACA of \$0.0019/Dth minus \$0.02/Dth) multiplied by 50%.

The Allowance for GTN Fuel shall be determined daily by the following expression:

The Gas Daily Midpoint Price for Stanfield, Ore. multiplied by the applicable fuel and line loss percentage for the actual path utilized to transport gas.

In the event that the index for Stanfield, Ore. and/or PG&E, Malin are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index.

In the event that the index price for Stanfield, Ore. and/or PG&E, Malin are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Coral will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement No. 08612 will terminate on the seventh day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

This Agreement shall become effective April 1, 2003, and shall continue in full force and effect through April 30, 2003 and month to month thereafter, with either party having the right to terminate the Agreement, upon no less than 7 days notice to the other, given prior to the first day of any subsequent month.



Effective Date: 06/01/2007 Status: Effective

FERC Docket: RP99-518-102

**Second Revised Sheet No. 20** Second Revised Sheet No. 20 : Effective  
Superseding: First Revised Sheet No. 20

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/11 The per-Dth Reservation Rate shall be determined daily and will equal [the Gas Daily Midpoint Price (the Gas Daily Midpoint Price is the price survey midpoint for PG&E, Malin and Stanfield, OR as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the most recently available Gas Daily publication) for PG&E, Malin minus the Gas Daily Midpoint Price for Stanfield, OR, minus the sum of the following]:

- 1) an allowance for the per-Dth cost of GTN system fuel
- 2) an allowance for the per-Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported
- 3) an allowance for ACA of \$0.0016/Dth

The allowance for GTN System fuel shall be computed as follows:

The Gas Daily Midpoint Price for Stanfield, OR, multiplied by the applicable fuel and line loss percentage for the actual path utilized to transport gas.

Fuel shall be reimbursed in kind at the applicable monthly percentage as posted on GTN's website.

On any day when the foregoing Reservation Rate calculation produces a result less than or equal to \$0.08/Dth, the Reservation Rate shall be deemed to be \$0.03/Dth. On any day when the foregoing Reservation Rate calculation produces a result greater than \$0.08/Dth, the Reservation Rate shall be deemed to be equal to the calculated per-Dth Reservation Rate minus \$0.05/Dth. To determine the Index Rate calculation applicable to volumes not nominated or scheduled, the Stanfield to Malin mileage will be applied to the calculation's mileage-based components.

In addition to the Reservation Rate as calculated herein, PPM Energy shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. PPM Energy shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

In the event that the indices for PG&E, Malin and/or Stanfield, OR are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index. In the event that the indices for PG&E, Malin and/or Stanfield, OR are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and PPM Energy will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10442 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

Effective Date: 05/01/2008 Status: Pending

FERC Docket: RP99-518-106

**Third Revised Sheet No. 20** Third Revised Sheet No. 20 : Pending

Superseding: Second Revised Sheet No. 20

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/11 Index Rate Calculation

The per-Dth Reservation Rate shall be determined daily and will equal [the Gas Daily Midpoint Price (The Gas Daily Midpoint Price is the price survey midpoint for PG&E, Malin and Stanfield, OR as applicable as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the last published Gas Daily publication prior to the weekend or holiday.) for PG&E, Malin minus the Gas Daily Midpoint Price for Stanfield, OR, minus the sum of the following]:

- 1) an allowance for the per Dth cost of GTN system fuel
- 2) an allowance for the per Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported
- 3) an allowance for ACA of \$0.0019/Dth

The allowance for GTN System fuel shall be computed as follows:

The Gas Daily Midpoint Price for Stanfield, OR multiplied by  $\{[1.0/(1.0 - \text{the GTN System fuel rate})] \text{ minus } 1.0\}$ , where the GTN System fuel rate equals GTN's applicable mileage-based fuel rate multiplied by the mileage of the path of the gas transported.

Reservation Rate

On any day when the foregoing Index Rate calculation produces a result less than \$0.06/Dth, the Reservation Rate shall be deemed to be \$0.02/Dth. On any day when the foregoing Index Rate calculation produces a result greater than or equal to \$0.06/Dth and less than or equal to \$0.10/Dth, the Reservation Rate shall be deemed to be equal to the calculated per Dth Reservation Rate minus \$0.04/Dth. On any day when the foregoing Index Rate calculation produces a result greater than \$0.10/Dth, the Reservation Rate shall be equal to six cents (\$0.06) plus eighty percent (80%) of the difference between the result of the Index Rate Calculation and ten cents (\$0.10). To determine the Index Rate calculation applicable to volumes not nominated or scheduled, the Stanfield, OR to Malin, OR mileage will be applied to the calculation's mileage-based components.

Other Charges

In addition to the Reservation Rate as calculated herein, Eagle Energy Partners shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. Eagle Energy Partners shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

Renegotiate Request

In the event that the indices for PG&E, Malin and/or Stanfield, OR are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index. In the event that the indices for PG&E, Malin and/or Stanfield, OR are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Eagle Energy Partners will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10628 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

Effective Date: 05/01/2008 Status: Pending

FERC Docket: RP99-518-106

**Second Revised Sheet No. 21** Second Revised Sheet No. 21 : Pending

Superseding: First Revised Sheet No. 21

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/12 Index Rate Calculation

The per-Dth Reservation Rate shall be determined daily and will equal [the Gas Daily Midpoint Price (The Gas Daily Midpoint Price is the price survey midpoint for PG&E, Malin and Kingsgate, BC as applicable as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the last published Gas Daily publication prior to the weekend or holiday.) for PG&E, Malin minus the Gas Daily Midpoint Price for Kingsgate, BC, minus the sum of the following]:

- 1) an allowance for the per Dth cost of GTN system fuel.
- 2) an allowance for the per Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported.
- 3) an allowance for ACA of \$0.0019/Dth.

The allowance for GTN System fuel shall be computed as follows:

The Gas Daily Midpoint Price for Kingsgate, BC multiplied by  $\{[1.0/(1.0 - \text{the GTN System fuel rate})] \text{ minus } 1.0\}$ , where the GTN System fuel rate equals GTN's applicable mileage-based fuel rate multiplied by the mileage of the path of the gas transported.

Reservation Rate

On any day when the foregoing Index Rate Calculation produces a result less than \$0.06/Dth, the Reservation Rate shall be deemed to be \$0.02/Dth. On any day when the foregoing Index Rate Calculation produces a result greater than or equal to \$0.06/Dth and less than or equal to \$0.10/Dth, the Reservation Rate shall be deemed to be equal to the calculated per Dth Reservation Rate minus \$0.04/Dth. On any day when the foregoing Index Rate calculation produces a result greater than \$0.10/Dth, the Reservation Rate shall be equal to six cents (\$0.06) plus eighty percent (80%) of the difference between the result of the Index Rate Calculation and ten cents (\$0.10). To determine the Index Rate Calculation applicable to volumes not nominated or scheduled, the Kingsgate, BC to Malin, OR mileage will be applied to the calculation's mileage-based components.

Other Charges

In addition to the Reservation Rate as calculated herein, Eagle Energy Partners shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. Eagle Energy Partners shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

Renegotiation Request

In the event that the indices for PG&E, Malin and/or Kingsgate, BC are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index. In the event that the indices for PG&E, Malin and/or Kingsgate, BC are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Eagle Energy Partners will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10629 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

Effective Date: 10/01/2009 Status: Effective  
FERC Docket: RP09-1020-000

**Fourth Revised Sheet No. 21** Fourth Revised Sheet No. 21  
Superseding: Third Revised Sheet No. 21

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/12 Index Rate Calculation

The per-Dth Reservation Rate shall be determined daily and will equal (the Gas Daily Midpoint Price [Gas Daily Daily Midpoint Price is the price survey midpoint for PG&E, Malin and Kingsgate, BC as applicable as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the last published Gas Daily publication prior to the weekend or holiday.] for PG&E, Malin minus the Gas Daily Midpoint Price for Kingsgate, BC, minus the sum of the following):

- 1) an allowance for the per Dth cost of GTN system fuel.
- 2) an allowance for the per Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported.
- 3) an allowance for ACA of \$0.0019/Dth.

The allowance for GTN System fuel shall be computed as follows:

The Gas Daily Midpoint Price for Kingsgate, BC multiplied by  $\{[1.0/(1.0 - \text{the GTN System fuel rate})] \text{ minus } 1.0\}$ , where the GTN System fuel rate equals GTN's applicable mileage-based fuel rate multiplied by the mileage of the path of the gas transported.

Reservation Rate

On any day when the foregoing Index Rate Calculation produces a result less than \$0.06/Dth, the Reservation Rate shall be deemed to be \$0.02/Dth. On any day when the foregoing Index Rate Calculation produces a result greater than or equal to \$0.06/Dth and less than or equal to \$0.10/Dth, the Reservation Rate shall be deemed to be equal to the calculated per Dth Reservation Rate minus \$0.04/Dth. On any day when the foregoing Index Rate calculation produces a result greater than \$0.10/Dth, the Reservation Rate shall be equal to six cents (\$0.06) plus eighty per cent (80%) of the difference between the result of the Index Rate Calculation and ten cents (\$0.10). To determine the Index Rate Calculation applicable to volumes not nominated or scheduled, the Kingsgate, BC to Malin, OR mileage will be applied to the calculation's mileage-based components.

Other Charges

In addition to the Reservation Rate as calculated herein, Eagle Energy Partners shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. Eagle Energy Partners shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

Renegotiation Request

In the event that the indices for PG&E, Malin is not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index. In the event that the indices for PG&E, Malin is not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Eagle Energy Partners will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10738 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination. In the event that the indices for Kingsgate, BC is not published on any given day (other than a weekend or a holiday), prices will be determined based on the TCPL Alberta, AECO-C price, converted to U.S. dollars using the currency conversion factor printed in Gas Daily for the applicable day, plus \$0.12/dth.

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FERC Docket: RP10-98-000

**Fourth Revised Sheet No. 22** Fourth Revised Sheet No. 22  
Superseding: Third Revised Sheet No. 22

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/13 The per-Dth Reservation Rate shall be determined daily and will equal 50% x (the Gas Daily Midpoint Price (The Gas Daily Daily Midpoint Price is the price survey midpoint for PG&E, Malin and TCPL Alberta, AECO-C as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the most recently available Gas Daily publication.) for PG&E, Malin minus the Gas Daily Midpoint Price for TCPL Alberta, AECO-C minus the sum of the following):

- 1) an allowance for the per Dth cost of upstream transportation
- 2) an allowance for the per Dth cost of GTN and Foothills B.C. system fuel
- 3) an allowance for the per Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported
- 4) an allowance for ACA of \$0.0019/Dth or other such rate as may be approved by FERC during the term of this Agreement to reflect its Annual Charge Adjustment

For the purposes of the above Reservation Rate calculation:

The allowance for upstream transportation shall be calculated as the sum of the 100% load factor equivalent rates in effect on the day of flow for Foothills B.C. System FT Service and the TransCanada Alberta System FT-D service, converted to U.S. dollars per Dth using the U.S./Canadian dollar conversion rate as quoted in Gas Daily for the day of flow, a conversion rate of 1.055056 GJ per Dth, and a heat value of 37.8 MJ/cubic meter; and

The allowance for GTN and Foothills B.C. System fuel shall be computed as the Gas Daily Midpoint Price for TCPL Alberta, AECO-C (expressed in \$U.S./Dth), multiplied by {[1.0/ (1.0 - the GTN System fuel rate)] multiplied by [1.0/ (1.0- the Foothills Zone 8 fuel rate)] minus 1.0}, where the GTN System fuel rate equals GTN's applicable mileage-based fuel rate multiplied by the mileage of the path of the gas transported.

On any day when the foregoing Reservation Rate calculation produces a result less than \$0.04/Dth, the Reservation Rate shall be deemed to be \$0.04/Dth. To determine the Index Rate calculation applicable to volumes not nominated or scheduled, the Kingsgate to Malin mileage will be applied to the calculation's mileage-based components.

In addition to the Reservation Rate as calculated herein, Powerex shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. Powerex shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

In the event that the indices for PG&E, Malin and/or TCPL Alberta, AECO-C are not published on any given day (other than a weekend or holiday), prices will be determined based on the last published information for such index. In the event that the indices for PG&E, Malin and/or TCPL Alberta, AECO-C are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and Powerex will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10849 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

Effective Date: 04/01/2010 Status: Effective

FERC Docket: RP10-511-000

**Fifth Revised Sheet No. 23** Fifth Revised Sheet No. 23

Superseding: Fourth Revised Sheet No. 23

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULES FTS-1 AND LFS-1

Explanatory Footnotes for Negotiated Rates  
under Rate Schedules FTS-1 and LFS-1

/13 (Continued)

At any time within the last five business days of any month prior to a month that this Agreement is in effect, the parties may, by mutual consent, modify the Reservation Rate to a fixed rate for all or a portion of the Maximum Delivered Quantity for the next month or for the remainder of the Contract Term. Neither GTN nor Powerex shall be obligated to accept a renegotiated fixed rate based upon discounted or negotiated rates in effect or offered to other shippers.

/14 The Reservation Rate shall be \$0.02/Dth/day. The Delivery Rate shall be \$0.03/Dth inclusive of ACA. Fuel shall be reimbursed in-kind at the applicable monthly percentage as posted on GTN's Internet website.

/15 Reserved

/16 The allowance for fuel shall be redetermined daily and shall be the product of GTN's applicable fuel and line loss percentage for the path of actual volumes transported multiplied by the commodity value of gas provided in-kind by the shipper. The commodity value of gas provided in-kind shall equal the Gas Daily Midpoint Price for NOVA, AECO-C plus \$0.20.

/17 The charges for this service will have two components.

- 1) Fixed rate reservation charge component of \$0.05/Dth applied on a daily basis to the Maximum Delivered Quantity
- 2) Sharing Spread Component: On days when the Spread Calculation formula yields a value greater than \$0.10/Dth as determined below, the difference between the results of the Spread Calculation formula and \$0.10/Dth shall be shared equally between GTN and EDF Trading

The per-Dth Spread Calculation shall be determined daily and will equal (the Gas Daily Midpoint Price [Gas Daily Midpoint Price is the price survey midpoint for PG&E, Malin and Kingsgate, BC as applicable as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the last published Gas Daily publication prior to the weekend or holiday.] for PG&E, Malin minus the Gas Daily Midpoint Price for Kingsgate, BC, minus the sum of the following):

Effective Date: 06/01/2010 Status: Effective  
FERC Docket: RP10-795-000

**First Revised Sheet No. 23A** First Revised Sheet No. 23A  
Superseding: Original Sheet No. 23A

/17 (Continued)

- 1) an allowance for the per Dth cost of GTN system fuel.
- 2) an allowance for the per Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported.
- 3) an allowance for ACA of \$0.0019/Dth.

The allowance for GTN System fuel shall be computed as follows:

The Gas Daily Midpoint Price for Kingsgate, BC multiplied by  $\{[1.0/(1.0 - \text{the GTN System fuel rate})] \text{ minus } 1.0\}$ , where the GTN System fuel rate equals GTN's applicable mileage-based fuel rate multiplied by the mileage of the path of the gas transported.

Other Charges

In addition to the Reservation Rate as calculated herein, EDF Trading shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. EDF Trading shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

Renegotiation Request

In the event that the indices for PG&E, Malin or Kingsgate, BC are not published on any given day (other than a weekend or holiday), prices will be determined based on the average of last published information for such indices and the next published information for such indices. In the event that the indices for PG&E, Malin or Kingsgate, BC are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiations Request"). Upon such Renegotiation Request, GTN and EDF Trading will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10880 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.

/18 The charges for this service will be as follows:

Index Rate Calculation

The per-Dth Reservation Rate shall be determined daily and will equal (the Gas Daily Midpoint Price [Gas Daily Midpoint Price is the price survey midpoint for PG&E, Malin and Kingsgate, BC as applicable as published in Gas Daily for the day of gas flow. Weekend and holiday prices will be determined using the last published Gas Daily publication prior to the weekend or holiday.] for PG&E, Malin minus the Gas Daily Midpoint Price for Kingsgate, BC, minus the sum of the following):

- 1) an allowance for the per Dth cost of GTN system fuel.

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FERC Docket: RP10-795-000

**Original Sheet No. 23B** Original Sheet No. 23B

/18 (Continued)

- 2) an allowance for the per Dth cost of delivery of volumes on the GTN System equal to the maximum delivery rate applicable under GTN's FTS-1 Tariff for the volumes transported, multiplied by the distance transported.
- 3) an allowance for ACA of \$0.0019/Dth.

The allowance for GTN System fuel shall be computed as follows:

The Gas Daily Midpoint Price for Kingsgate, BC multiplied by  $\{[1.0/(1.0 - \text{the GTN System fuel rate})] \text{ minus } 1.0\}$ , where the GTN System fuel rate equals GTN's applicable mileage-based fuel rate multiplied by the mileage of the path of the gas transported.

#### Reservation Rate

On any day when the foregoing Index Rate Calculation produces a result less than \$0.06/Dth, the Reservation Rate shall be deemed to be \$0.02/Dth. On any day when the foregoing Index Rate Calculation produces a result greater than or equal to \$0.06/Dth and less than or equal to \$0.10/Dth, The Reservation Rate shall be deemed to be equal to the calculated per Dth Reservation Rate minus \$0.04/Dth. On any day when the foregoing Index Rate calculation produces a result greater than \$0.10/Dth, the Reservation Rate shall be equal to six cents (\$0.06) plus eighty per cent (80%) of the difference between the result of the Index Rate Calculation and ten cents (\$0.10). To determine the Index Rate Calculation applicable to volumes not nominated or scheduled, the Kingsgate, BC to Malin, OR mileage will be applied to the calculation's mileage-based components.

#### Other Charges

In addition to the Reservation Rate as calculated herein, EDF Trading shall pay the Delivery Rate for volumes transported equal to the maximum delivery rate, plus the ACA charge as applicable under GTN's FTS-1 Tariff. EDF Trading shall provide fuel in kind in accordance with GTN's FTS-1 Tariff.

#### Renegotiation Request

In the event that the indices for PG&E, Malin or Kingsgate, BC are not published on any given day (other than a weekend or holiday), prices will be determined based on the average of last published information for such indices and the next published information for such indices. In the event that the indices for PG&E, Malin or Kingsgate, BC are not published on at least three business days within a span of six business days, either party may request negotiation of a replacement rate structure (a "Renegotiation Request"). Upon such Renegotiation Request, GTN and EDF Trading will use diligent, good faith efforts to come to a mutually agreeable replacement rate structure. Firm Transportation Service Agreement F-10881 will terminate on the fifteenth day following a Renegotiation Request in the event the parties do not agree on a replacement rate structure prior to such termination.



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FERC Docket: RP99-518-074

**Fourth Revised Sheet No. 24** Fourth Revised Sheet No. 24 : Pending

Superseding: Third Revised Sheet No. 24

STATEMENT OF EFFECTIVE RATES AND CHARGES

FOR TRANSPORTATION OF NATURAL GAS

(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH	Primary Receipt Point	Primary Delivery Point	Rate /2 /3
Occidental Energy Marketing, Inc./1	07/01/05 - 01/31/06	PS-1	100,000	N/A	N/A	/5

Effective Date: 04/23/2008 Status: Pending

FERC Docket: RP99-518-105

**Fifteenth Revised Sheet No. 24** Fifteenth Revised Sheet No. 24 : Pending

Superseding: Fourteenth Revised Sheet No. 24

STATEMENT OF EFFECTIVE RATES AND CHARGES

FOR TRANSPORTATION OF NATURAL GAS

(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH	Primary Receipt Point	Primary Delivery Point	Rate /2 /3
Sempra Energy Trading, LLC/1	04/09/08- 02/28/09	PS-1	150,000	N/A	N/A	/4
Powerex Corp./1	04/23/08- 01/31/09	PS-1	250,000	N/A	N/A	/5

Effective Date: 04/15/2010 Status: Effective

FERC Docket: RP10-606-000

**Twenty-Third Revised Sheet No. 24** Twenty-Third Revised Sheet No. 24

Superseding: Twenty-Second Revised Sheet No. 24

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

SHIPPER	TERM OF CONTRACT	RATE SCHEDULE	DTH	Primary Receipt Point	Primary Delivery Point	Rate /2 /3
Powerex Corp./1	03/09/10- 01/31/11	PS-1	150,000	N/A	N/A	/8
Powerex Corp./1	08/01/09- 10/31/10	PS-1	150,000	N/A	N/A	/4
Powerex Corp./1	09/10/09- 09/30/10	PS-1	150,000	N/A	N/A	/7
Fortis Energy Marketing & Trading GP/1	11/21/09-	PS-1	100,000	N/A	N/A	/9
Sempra Energy Trading Corp./1	04/15/10- 01/31/11	PS-1	250,000	N/A	N/A	/5

Effective Date: 08/01/2009 Status: Effective  
FERC Docket: RP99-518-111

**Fourth Revised Sheet No. 25** Fourth Revised Sheet No. 25  
Superseding: Third Revised Sheet No. 25

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

1/ This contract does not deviate in any material aspect from the Form of  
Service Agreement in this Tariff.

2/ Unless otherwise noted, all Shippers pay GTN's maximum Mileage  
and Non-Mileage Charge, ACA, and contribute fuel in-kind in accordance  
with this Tariff.

3/ Index Price References: Unless otherwise noted, references to "Daily  
Index Price" shall mean the price survey midpoint for the specified point  
as published in Gas Daily for the day of gas flow. Weekend and holiday  
prices will be determined using the next available Gas Daily publication.  
Unless otherwise noted, the references to the "NGI FOM" for a specified  
point shall mean Natural Gas Intelligence's First of Month Bid Week  
Survey (Supplement to NGI's Weekly Gas Index) Spot Gas Price for the  
specified point.

4/ This agreement is for service under GTN's Rate Schedule PS-1. The fee  
charged for service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked: 150,000 Dth  
Maximum Allowable Daily Quantity to be Parked: 20% above daily ratable  
quantity (or as otherwise agreed upon by GTN and Powerex Corp.)  
Allowable Period to Park Quantities: August 1-31, 2009  
Allowable Period to Withdraw Parked Quantities: October 1-31, 2010  
Total Charge USD (assessed September 2009): \$323,000

Powerex Corp. shall use good faith efforts to park all gas on a ratable basis,  
plus or minus 20%, or as otherwise mutually agreed and further subject to  
GTN's ability to park such quantities at the receipt point(s) specified in  
Powerex Corp.'s Parking Service Agreement. In addition, Powerex Corp. shall  
use good faith efforts to withdraw all gas parked on a ratable basis, plus or  
minus 20%, or as otherwise mutually agreed and further subject to GTN's  
ability to redeliver such quantities at the same point(s) the gas was parked.  
Any quantities Powerex Corp. parks on GTN's system in excess of the contracted  
quantity between August 1, 2009, through August 31, 2009, and any quantities  
parked in periods other than August 1, 2009, through August 31, 2009,

(continued)

Effective Date: 07/01/2005 Status: Pending

FERC Docket: RP99-518-074

**First Revised Sheet No. 26** First Revised Sheet No. 26 : Pending

Superseding: Original Sheet No. 26

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

5/ This agreement is for service under GTN's Rate Schedule PS-1. The fee charged for service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked:	100,000 Dth
Maximum Allowable Daily Quantity to be Parked:	5,000 Dth
Allowable Period to Park Quantities:	July 1-31, 2005
Allowable Period to Withdraw Parked Quantities:	Jan. 1-31, 2006
Total Charge (assessed October 2004):	\$125,000*

\*The total charge is inclusive of ACA

GTN shall reimburse Occidental \$0.50/Dth, up to a maximum 100,000 Dth, for any difference between the actual parked quantity on Aug. 1, 2005 and the Maximum Allowable Total Quantity to be parked, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during the Allowable Period to Park Quantities. Occidental is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Occidental shall have the right to request on subsequent days the makeup quantities GTN was unable to park

GTN shall reimburse Occidental \$0.50/Dth, up to a maximum 100,000 Dth, for any quantities not withdrawn from GTN's system by Jan. 31, 2006 due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during the Allowable Period to Withdraw Parked Quantities. Occidental is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Occidental shall have the right to request on subsequent days the makeup quantities GTN was unable to withdraw.

Occidental shall use good faith efforts to withdraw all gas parked over a period of no less than twenty days and with no daily withdrawal exceeding 10,000 Dth without prior approval of GTN.

Any quantities Occidental parks on GTN's system in excess of 100,000 Dth in July 2005 shall be subject to GTN's maximum tariff rate under Rate Schedule PS-1. Any quantities withdrawn from GTN's Parking Service in January 2006 shall apply first to the volumes subject to this agreement and second to any quantities parked outside the bounds of this agreement.

This interruptible service shall be provided to the extent it does not prevent GTN from meeting all of its firm and other interruptible service

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*FERC Docket: RP99-518-111*

**Fifth Revised Sheet No. 26** Fifth Revised Sheet No. 26  
Superseding: Fourth Revised Sheet No. 26

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

4/ (Continued)

shall be subject to GTN's maximum tariff rate or other such generally available system-wide discounted rate under Rate Schedule PS-1. Any quantities withdrawn from GTN's Parking Service in October 2010 shall apply first to the quantities subject to this agreement and second to any quantities parked outside the bounds of this agreement.

GTN shall reimburse Powerex Corp. \$0.20/Dth, up to the contracted quantity for any difference between the actual parked quantity during August 1, 2009, through August 31, 2009, and the contracted quantity, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during August 1, 2009, through August 31, 2009, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Powerex Corp. is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex Corp. shall have the right to request on subsequent days the makeup of quantities GTN was unable to park.

GTN shall reimburse Powerex Corp. \$0.20/Dth, up to the quantity actually parked, for any quantities not withdrawn from GTN's system during October 2010 due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during October 2010, which may be occasioned by restricted capacity, adverse inventory positions, or GTN scheduling errors. Powerex Corp. is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex Corp. shall have the right to request on subsequent days the makeup of quantities GTN was unable to withdraw.

Effective Date: 07/01/2005 Status: Pending

FERC Docket: RP99-518-074

**First Revised Sheet No. 27** First Revised Sheet No. 27 : Pending

Superseding: Original Sheet No. 27

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

5/ (Continued)

obligations, including GTN's system needs. GTN will make reasonable efforts to notify Occidental in the case of an unexpected capacity restriction.

6/ This agreement is for service under GTN's Rate Schedule PS-1. The fee charged for service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked:	230,000 Dth
Maximum Allowable Daily Quantity to be Parked:	20,000 Dth
Allowable Period to Park Quantities:	Dec. 9-31, 2004
Allowable Period to Withdraw Parked Quantities:	Feb. 1-28, 2005
Total Charge (assessed January 2005):	\$19,500

GTN shall reimburse Merrill Lynch \$0.0848/Dth, up to a maximum 230,000 Dth, for any difference between the actual parked quantity on Jan. 1, 2005 and the Maximum Allowable Total Quantity to be parked, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during the Allowable Period to Park Quantities.

GTN shall reimburse Merrill Lynch \$0.0848/Dth, up to a maximum 230,000 Dth, for any quantities not withdrawn from GTN's system by Feb. 28, 2005 due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during the Allowable Period to Withdraw Parked Quantities. In the event GTN requests Merrill Lynch to withdraw parked gas from GTN's system in January 2005 or at a rate greater than 16,000 Dth/day during February 2005, GTN shall credit Merrill Lynch at a rate of \$0.0848/Dth for all such quantities greater than 16,000 Dth.

Merrill Lynch shall use good faith efforts to withdraw all gas parked on a ratable basis, plus or minus 20%, or as mutually agreed and further subject to GTN's ability to redeliver such quantities at the nominated delivery points.

Any quantities Merrill Lynch parks on GTN's system in excess of 230,000 Dth in December, and any volumes parked in January and February 2005 shall be subject to GTN's maximum tariff rate under Rate Schedule PS-1. Any quantities withdrawn from GTN's Parking Service in February 2005 shall apply first to the volumes subject to this agreement and second to any quantities parked outside the bounds of this agreement.

Effective Date: 04/23/2008 Status: Pending

FERC Docket: RP99-518-105

**Eighth Revised Sheet No. 27** Eighth Revised Sheet No. 27 : Pending

Superseding: Seventh Revised Sheet No. 27

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

5/ This agreement is for service under GTN's Rate Schedule PS-1. The fee charged for this service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked: 250,000 Dth  
Maximum Allowable Daily Quantity to be Parked: 20% above daily rateable quantity (or as otherwise agreed upon by GTN and Powerex)  
Allowable Period to Park Quantities: April 23, 2008 - May 23, 2008  
Allowable Period to Withdraw Parked Quantities: January 1-31, 2009  
Total Charge US\$ (assessed June 2008): \$241,250

Powerex Corp. ("Powerex") shall use good faith efforts to park all gas on a rateable basis, plus or minus 20%, or as otherwise mutually agreed and further subject to GTN's ability to park such quantities at the receipt point(s) specified in Powerex's Parking Service Agreement. In addition, Powerex shall use good faith efforts to withdraw all gas parked on a rateable basis, plus or minus 20%, or as otherwise mutually agreed and further subject to GTN's ability to redeliver such quantities at the same point(s) the gas was parked.

Any quantities Powerex parks on GTN's system in excess of the contracted quantity between April 23, 2008, through May 23, 2008, and any quantities parked in periods other than April 23, 2008, through May 23, 2008, shall be subject to GTN's maximum tariff rate or other such generally available system-wide discounted rate under Rate Schedule PS-1. Any quantities withdrawn from GTN's Parking Service in January 2009 shall apply first to the quantities subject to this agreement and second to any quantities parked outside the bounds of this agreement.

GTN shall reimburse Powerex \$0.20/Dth, up to the contracted quantity for any difference between the actual parked quantity during April 23, 2008, through May 23, 2008, and the contracted quantity, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during April 23, 2008, through May 23, 2008, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Powerex is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex shall have the right to request on subsequent days the makeup of quantities GTN was unable to park.

GTN shall reimburse Powerex \$0.20/Dth, up to the quantity actually parked, for any quantities not withdrawn from GTN's system during January 2009 due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during January 2009, which may be occasioned by restricted capacity, adverse inventory positions, or GTN scheduling errors. Powerex is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex shall have the right to request on subsequent days the makeup of quantities GTN was unable to withdraw.

6/ Reserved



Effective Date: 04/15/2010 Status: Effective

FERC Docket: RP10-606-000

**Tenth Revised Sheet No. 27** Tenth Revised Sheet No. 27

Superseding: Ninth Revised Sheet No. 27

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

5/ This agreement is for service under GTN's Rate Schedule PS-1. The fee charged for this service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked: 250,000 Dth

Maximum Allowable Daily Quantity to be Parked: 20,000 Dth per day (or as otherwise agreed upon by GTN and Sempra)

Allowable Period to Park Quantities: April 15 - April 30, 2010

Allowable Period to Withdraw Parked Quantities: January 1 - January 31, 2011

Total Charge US\$ (assessed May 2010): US\$302,500.00

Sempra Energy Trading Corp. ("Sempra") shall use good faith efforts to park gas on a ratable basis, up to the Maximum Allowable Daily Quantity to be Parked, or as otherwise mutually agreed and further subject to GTN's ability to park such quantities at the receipt point(s) specified in Sempra's Parking Service Agreement. In addition, Sempra shall use good faith efforts to withdraw all gas parked on a ratable basis, plus or minus 20%, or as otherwise mutually agreed between GTN and Sempra, and further subject to GTN's ability to redeliver such quantities at the same point(s) the gas was parked.

Any quantities Sempra parks on GTN's system in excess of the contracted quantity between April 15, 2010, through April 30, 2010 (the "Parking Period"), and any quantities parked in periods other than the Parking Period, shall be subject to GTN's maximum tariff rate or other such generally available system-wide discounted rate under Rate Schedule PS-1.

GTN shall reimburse Sempra \$0.20/Dth, up to the contracted quantity for any difference between the actual parked quantity during the Parking Period, and the contracted quantity, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during the Parking Period, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Sempra is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Sempra shall have the right to request on subsequent days the makeup of quantities GTN was unable to park.

GTN shall reimburse Sempra \$0.20/Dth, up to the quantity actually parked, for any quantities not withdrawn from GTN's system between January 1, 2011 and January 31, 2011 (the "Withdrawal Period") due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during the Withdrawal Period, which may be occasioned by restricted capacity, adverse inventory positions, or GTN scheduling errors. Sempra is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Sempra shall have the right to request on subsequent days the makeup of quantities GTN was unable to withdraw.

6/ Reserved

Effective Date: 09/10/2009 Status: Effective

FERC Docket: RP99-518-112

**Sixth Revised Sheet No. 28** Sixth Revised Sheet No. 28

Superseding: Fifth Revised Sheet No. 28

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

7/ This agreement is for service under GTN's Rate Schedule PS-1. The fee charged for this service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked: 150,000 Dth  
Maximum Allowable Daily Quantity to be Parked: 20% above daily ratable quantity (or as otherwise agreed upon by GTN and Powerex Corp.)

Allowable Period to Park Quantities: September 10, 2009 -  
September 30, 2009

Allowable Period to Withdraw Parked Quantities: September 1, 2010 -  
September 30, 2010

Total Charge USD (assessed October 2009): \$339,000

Powerex Corp. shall use good faith efforts to park all gas on a ratable basis, plus or minus 20%, or as otherwise mutually agreed and further subject to GTN's ability to park such quantities at the receipt point(s) specified in Powerex Corp.'s Parking Service Agreement. In addition, Powerex Corp. shall use good faith efforts to withdraw all gas parked on a ratable basis, plus or minus 20%, or as otherwise mutually agreed and further subject to GTN's ability to redeliver such quantities at the same point(s) the gas was parked.

Any quantities Powerex Corp. parks on GTN's system in excess of the contracted quantity between September 10, 2009 through September 30, 2009, and any quantities parked in periods other than September 10, 2009 through September 30, 2009 shall be subject to GTN's maximum tariff rate or other such generally available system-wide discounted rate under rate schedule PS-1. Any quantities withdrawn from GTN's Parking Service in September 2010 shall apply first to the quantities subject to this agreement and second to any quantities parked outside the bounds of this agreement.

GTN shall reimburse Powerex Corp. \$0.20/Dth, up to the contracted quantity for any difference between the actual parked quantity during September 10, 2009 through September 30, 2009 and the contracted quantity, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during September 10, 2009 through September 30, 2009, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Powerex Corp. is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex Corp. shall have the right to request on subsequent days the makeup of quantities GTN was unable to park.

GTN shall reimburse Powerex Corp. \$0.20/Dth, up to the quantity actually parked, for any quantities not withdrawn from GTN's system during September 2010 due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during September 2010, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Powerex Corp. is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex Corp. shall have the right to request on subsequent days the makeup of quantities GTN was unable to withdraw.

Effective Date: 03/09/2010 Status: Effective

FERC Docket: RP10-490-000

**Third Revised Sheet No. 29** Third Revised Sheet No. 29

Superseding: Second Revised Sheet No. 29

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

8/ This agreement is for service under GTN's Rate Schedule PS-1. The fee charged for this service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked: 150,000 Dth

Maximum Allowable Daily Quantity to be Parked: 10,000 Dth per day (or as otherwise agreed upon by GTN and Powerex Corp.)

Allowable Period to Park Quantities: March 9 - March 26, 2010

Allowable Period to Withdraw Parked Quantities: January 1 - January 31, 2011

Total Charge USD (assessed April 2010): \$163,500

Powerex Corp. shall use good faith efforts to park gas on a rateable basis, up to the Maximum Allowable Daily Quantity to be Parked, or as otherwise mutually agreed and further subject to GTN's ability to park such quantities at the receipt point(s) specified in Powerex Corp.'s Parking Service Agreement. In addition, Powerex Corp. shall use good faith efforts to withdraw all gas parked on a rateable basis, plus or minus 20%, or as otherwise mutually agreed between GTN and Powerex Corp. and further subject to GTN's ability to redeliver such quantities at the same point(s) the gas was parked.

Any quantities Powerex Corp. parks on GTN's system in excess of the contracted quantity between March 9, 2010 through March 26, 2010, and any quantities parked in periods other than March 9, 2010 through March 26, 2010 shall be subject to GTN's maximum tariff rate or other such generally available system-wide discounted rate under Rate Schedule PS-1.

GTN shall reimburse Powerex Corp. \$0.20/Dth, up to the contracted quantity for any difference between the actual parked quantity during March 9, 2010 through March 26, 2010 and the contracted quantity, applicable to any nominated and otherwise confirmable quantities GTN was unable to park on its system during March 9, 2010 through March 26, 2010, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Powerex Corp. is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex Corp. shall have the right to request on subsequent days the makeup of quantities GTN was unable to park.

GTN shall reimburse Powerex Corp. \$0.20/Dth, up to the quantity actually parked, for any quantities not withdrawn from GTN's system during January 2011 due to GTN's inability to accommodate a nominated and otherwise confirmable withdrawal for that quantity during January 2011, which may be occasioned by restricted capacity, adverse inventory positions or GTN scheduling errors. Powerex Corp. is obligated to make nominations on all available nomination cycles during the day to be eligible for reimbursement. Powerex Corp. shall have the right to request on subsequent days the makeup of quantities GTN was unable to withdraw.

Effective Date: 11/21/2009 Status: Effective

FERC Docket: RP10-177-000

**Second Revised Sheet No. 29A** Second Revised Sheet No. 29A  
Superseding: First Revised Sheet No. 29A

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

9/ This agreement is for service under GTN's Rate Schedule PS-1. The fee  
charged for this service under this agreement shall be determined as follows:

Maximum Allowable Total Quantity to be Parked: 100,000 Dth

Maximum Allowable Daily Quantity to be Parked: 18,000 Dth per day (or as  
otherwise agreed upon by GTN  
and Fortis Energy)

Allowable Period to Park Quantities: November 21 - November 30, 2009

Allowable Period to Withdraw Parked Quantities: December 1 - December 31, 2010

Total Charge USD (assessed December 2009): \$201,100

Fortis Energy Marketing & Trading GP ("Fortis Energy") shall use good faith  
efforts to park all gas on a ratable basis, up to the Maximum Allowable Daily  
Quantity to be Parked, or as otherwise mutually agreed and further subject to  
GTN's ability to park such quantities at the receipt point(s) specified in  
Fortis Energy's Parking Service Agreement. In addition, Fortis Energy shall  
use good faith efforts to withdraw all gas parked on a ratable basis, plus or  
minus 20%, or as otherwise mutually agreed and further subject to GTN's  
ability to redeliver such quantities at the same point(s) the gas was parked.

Any quantities Fortis Energy parks on GTN's system in excess of the contracted  
quantity between November 21, 2009 through November 30, 2009, and any  
quantities parked in periods other than November 21, 2009 through November 30,  
2009 shall be subject to GTN's maximum tariff rate or other such generally  
available system-wide discounted rate under rate schedule PS-1. Any  
quantities withdrawn from GTN's Parking Service in December 2010 shall apply  
first to the quantities subject to this agreement and second to any quantities  
parked outside the bounds of this agreement.

GTN shall reimburse Fortis Energy \$0.20/Dth, up to the contracted quantity for  
any difference between the actual parked quantity during November 21, 2009  
through November 30, 2009 and the contracted quantity, applicable to any  
nominated and otherwise confirmable quantities GTN was unable to park on its  
system during November 21, 2009 through November 30, 2009, which may be  
occasioned by restricted capacity, adverse inventory positions or GTN  
scheduling errors. Fortis Energy is obligated to make nominations on all  
available nomination cycles during the day to be eligible for reimbursement.  
Fortis Energy shall have the right to request on subsequent days the makeup of  
quantities GTN was unable to park.

GTN shall reimburse Fortis Energy \$0.20/Dth, up to the quantity actually  
parked, for any quantities not withdrawn from GTN's system during December  
2010 due to GTN's inability to accommodate a nominated and otherwise  
confirmable withdrawal for that quantity during December 2010, which may be  
occasioned by restricted capacity, adverse inventory positions or GTN  
scheduling errors. Fortis Energy is obligated to make nominations on all  
available nomination cycles during the day to be eligible for reimbursement.  
Fortis Energy shall have the right to request on subsequent days the makeup  
of quantities GTN was unable to withdraw.

*Effective Date: 04/01/2007    Status: Effective*

*FERC Docket: RP99-518-100*

**First Revised Sheet No. 29B** First Revised Sheet No. 29B : Effective

Superseding: Original Sheet No. 29B

STATEMENT OF EFFECTIVE RATES AND CHARGES  
FOR TRANSPORTATION OF NATURAL GAS  
(Continued)

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE ITS-1, PS-1, AND AIS-1

Explanatory Footnotes for Negotiated Rates under Rate Schedule ITS-1, PS-1,  
and AIS-1

10/ Reserved

Effective Date: 08/01/2010 Status: Effective

FERC Docket: RP10-901-000

Original Sheet No. 29C Original Sheet No. 29C

NON-CONFORMING SERVICE AGREEMENTS  
PURSUANT TO § 154.112(b)

Name of Shipper	Contract Number	Rate Schedule	Effective Date	Termination Date 1
Cascade Natural Gas Corporation	152	FTS-1	11/1/1993	10/31/2023
Chevron USA Inc.	153	FTS-1	11/1/1993	10/31/2023
City of Burbank	154	FTS-1	11/1/1993	10/31/2023
IGI Resources, Inc.	158	FTS-1	11/1/1993	10/31/2013
Northern California Power Agency	163	FTS-1	11/1/1993	10/31/2023
Talisman Energy Inc	167	FTS-1	11/1/1993	10/31/2023
Paramount Resources US Inc.	168	FTS-1	11/1/1993	10/31/2023
Petro-Canada Hydrocarbons, Inc.	169	FTS-1	11/1/1993	10/31/2023
Sacramento Municipal Utility District	170	FTS-1	11/1/1993	10/31/2023
Avista Corporation	177	FTS-1	11/1/1993	10/31/2023
Avista Corporation	178	FTS-1	11/1/1993	10/31/2023
Cascade Natural Gas Corporation	179	FTS-1	11/1/1993	10/31/2023
Northwest Natural Gas Company	180	FTS-1	11/1/1993	10/31/2023
Puget Sound Energy, Inc.	181	FTS-1	11/1/1993	10/31/2023
Avista Corporation	182	FTS-1	11/1/1993	10/31/2023
Avista Corporation	2591	FTS-1	8/1/1995	10/31/2025
Avista Corporation	2857	FTS-1	11/1/1995	10/31/2025
Avista Corporation	2858	FTS-1	11/1/1995	10/31/2025
Iberdrola Renewables, Inc.	7828	FTS-1	6/3/2001	10/31/2025
Avista Corporation	8035	FTS-1	11/1/2001	10/31/2025
Northwest Natural Gas Company	112	ITS-1	4/1/1992	3/31/2011
Petro-Canada Hydrocarbons, Inc.	119	ITS-1	4/22/1992	4/22/2011
Morgan Stanley Capital Group Inc.	144	ITS-1	7/23/1993	9/30/2010
Shell Energy North America (US), L.P.	146	ITS-1	8/1/1993	8/1/2010
BP Canada Energy Marketing Corp.	4621	AIS-1	12/1/1996	12/31/2010
Sempra Energy Trading Corp.	4721	AIS-1	1/1/1997	12/31/2010
EnCana Marketing (USA) Inc.	4770	AIS-1	1/25/1997	12/31/2010
Nexen Marketing U.S.A., Inc.	6759	AIS-1	6/17/1999	12/31/2010
Shell Energy North America (US), L.P.	7047	AIS-1	4/10/2000	12/31/2010
Sierra Pacific Power Company	7068	AIS-1	4/27/2000	12/4/2019
City of Glendale	7804	AIS-1	5/30/2001	12/31/2021
Iberdrola Renewables, Inc.	7806	AIS-1	5/30/2001	12/31/2021
Petro-Canada Hydrocarbons, Inc.	7807	AIS-1	5/30/2001	12/31/2021
Chevron U.S.A. Inc.	7812	AIS-1	5/30/2001	12/31/2021
Salmon Resources Ltd.	7816	AIS-1	5/30/2001	12/31/2021
Constellation Energy Commodities Group, Inc.	8038	AIS-1	8/2/2001	8/31/2021
Enserco Energy Inc.	8176	AIS-1	11/27/2001	11/30/2021
ConocoPhillips Company	8228	AIS-1	1/8/2002	1/31/2022
UBS AG (London Branch)	8318	AIS-1	4/11/2002	4/30/2023
Concord Energy LLC	8421	AIS-1	7/22/2002	7/31/2012
Tenaska Marketing Ventures	8559	AIS-1	1/1/2003	12/31/2012
Cargill, Inc.	8594	AIS-1	3/19/2003	3/31/2013
Merrill Lynch Commodities, Inc.	8674	AIS-1	6/13/2003	6/13/2023
Apache Corporation	8670	AIS-1	7/1/2003	6/30/2013
Tenaska Marketing Ventures	8880	AIS-1	12/1/2003	11/30/2013
California Dept. of Water Resources	8887	AIS-1	12/1/2003	7/1/2011
United Energy Trading, LLC	9002	AIS-1	3/1/2004	2/28/2014
Select Natural Gas LLC	8978	AIS-1	3/3/2004	3/3/2014
National Fuel Marketing Company LLC	9035	AIS-1	4/27/2004	4/30/2014
Fortis Energy Marketing & Trading GP	9115	AIS-1	7/17/2004	6/30/2014
Powerex Corp.	9149	AIS-1	8/16/2004	7/31/2014
Louis Dreyfus Energy Services L.P.	9281	AIS-1	11/8/2004	10/31/2014
Pacific Summit Energy LLC	9285	AIS-1	11/15/2004	10/31/2010
Devlar Energy Marketing, LLC	9630	AIS-1	6/1/2005	5/31/2015
Suncor Energy Marketing Inc.	9774	AIS-1	10/1/2005	9/30/2015
CanNat Energy Inc.	10197	AIS-1	7/26/2006	7/25/2011
Eagle Energy Partners I, LP	10308	AIS-1	10/27/2006	10/31/2011
Sequent Energy Management LP	10336	AIS-1	11/1/2006	10/31/2010

Effective Date: 08/01/2010 Status: Effective

FERC Docket: RP10-901-000

Original Sheet No. 29D Original Sheet No. 29D

NON-CONFORMING SERVICE AGREEMENTS  
PURSUANT TO § 154.112(b)  
(Continued)

Name of Shipper	Contract Number	Rate Schedule	Effective Date	Termination Date <sup>1</sup>
Occidental Energy Marketing, Inc.	10359	AIS-1	12/22/2006	12/31/2010
NextEra Energy Power Marketing, LLC	10625	AIS-1	4/10/2008	4/30/2018
Natural Gas Exchange, Inc.	10639	AIS-1	4/29/2008	4/30/2018
Citigroup Energy Inc.	10646	AIS-1	5/30/2008	5/31/2018
IGI Resources, Inc.	4576	PS-1	12/1/1996	12/31/2010
Macquarie Cook Energy, LLC	4619	PS-1	12/1/1996	12/31/2010
Sempra Energy Trading Corp.	4720	PS-1	1/1/1997	12/31/2010
EnCana Marketing (USA) Inc.	4868	PS-1	3/1/1997	12/31/2010
Shell Energy North America (US), L.P.	4908	PS-1	3/5/1997	12/31/2010
Husky Gas Marketing Inc.	5348	PS-1	7/3/1997	12/31/2010
Enserco Energy Inc.	5677	PS-1	10/6/1997	12/31/2010
National Fuel Marketing Company LLC	5679	PS-1	10/7/1997	12/31/2010
Northwest Natural Gas Company	5992	PS-1	2/13/1998	12/31/2023
Chevron U.S.A. Inc.	6226	PS-1	5/14/1998	12/31/2010
San Diego Gas & Electric Company	6378	PS-1	8/25/1998	12/31/2010
Southern California Gas Company	6613	PS-1	12/14/1998	12/31/2010
Puget Sound Energy, Inc.	7061	PS-1	4/20/2000	4/20/2020
Hermiston Generating Company, L.P.	7798	PS-1	5/30/2001	12/31/2021
City of Glendale	7803	PS-1	5/30/2001	12/31/2021
Iberdrola Renewables, Inc.	7805	PS-1	5/30/2001	12/31/2021
Questar Energy Trading Company	7819	PS-1	5/30/2001	12/31/2021
El Paso Energy Marketing Company	7820	PS-1	5/30/2001	12/31/2021
Sempra Energy Trading Corp.	7833	PS-1	6/14/2001	6/8/2020
Constellation Energy Commodities Group, Inc.	8037	PS-1	8/2/2001	8/31/2021
ConocoPhillips Company	8229	PS-1	1/8/2002	1/31/2022
Tractebel Energy Marketing, Inc.	8283	PS-1	3/14/2002	3/31/2022
UBS AG (London Branch)	8316	PS-1	4/11/2002	4/30/2023
RWE Trading Americas Inc.	8324	PS-1	4/16/2002	4/30/2022
Fortis Energy Marketing & Trading GP	8340	PS-1	5/2/2002	5/31/2022
Concord Energy LLC	8406	PS-1	7/22/2002	7/31/2012
Select Natural Gas LLC	8534	PS-1	11/15/2002	10/31/2012
Tenaska Marketing Ventures	8539	PS-1	12/1/2002	11/30/2012
Cargill, Inc.	8595	PS-1	3/19/2003	3/31/2013
United Energy Trading, LLC	8652	PS-1	5/23/2003	5/31/2013
Apache Corporation	8668	PS-1	7/1/2003	6/30/2013
Occidental Energy Marketing, Inc.	8784	PS-1	9/10/2003	8/31/2013
Tenaska Marketing Ventures	8873	PS-1	12/1/2003	11/30/2013
California Dept. of Water Resources	8886	PS-1	12/1/2003	7/1/2011
Devon Canada Marketing Corporation	8923	PS-1	2/1/2004	1/31/2014
Merrill Lynch Commodities, Inc.	9018	PS-1	4/7/2004	4/7/2014
Pacific Summit Energy LLC	9173	PS-1	8/30/2004	8/30/2010
Louis Dreyfus Energy Canada LP	9263	PS-1	10/29/2004	10/31/2010
Louis Dreyfus Energy Services L.P.	9273	PS-1	11/4/2004	10/31/2014
Devlar Energy Marketing, LLC	9584	PS-1	5/2/2005	4/30/2015
Suncor Energy Marketing Inc.	9772	PS-1	10/1/2005	9/30/2015
J.P. Morgan Ventures Energy Corporation	9948	PS-1	2/1/2006	1/31/2016
CanNat Energy Inc.	10195	PS-1	7/26/2006	7/25/2011
Eagle Energy Partners I, LP	10310	PS-1	10/27/2006	10/31/2011
Sequent Energy Management LP	10332	PS-1	11/1/2006	10/31/2011

Effective Date: 02/20/2006 Status: Effective

FERC Docket: RP06-180-000

**First Revised Sheet No. 30** First Revised Sheet No. 30 : Effective

Superseding: Original Sheet No. 30

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available to any party (hereinafter called "Shipper") qualifying for service pursuant to the Commission's Regulations contained in 18 CFR Part 284, and who has executed a Firm Transportation Service Agreement with GTN in the form contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to firm gas transportation services performed by GTN for Shipper pursuant to the executed Firm Transportation Service Agreement between GTN and Shipper. GTN shall receive from Shipper such daily quantities of gas up to the Shipper's Maximum Daily Quantity as specified in the executed Firm Transportation Service Agreement between GTN and Shipper plus the required quantity of gas for fuel and line loss associated with service under this Rate Schedule FTS-1 and redeliver an amount equal to the quantity received less the required quantity of gas for fuel and line loss. This transportation service shall be firm and not subject to curtailment or interruption except as provided in the Transportation General Terms and Conditions. A Shipper's Maximum Daily Quantity shall be a uniform quantity throughout the contract term, except that GTN may, on a not unduly discriminatory basis, agree to differing monthly levels in the Shipper's Maximum Daily Quantity during the term of Shipper's contract. Shipper's Maximum Daily Quantity and any differing levels in the Maximum Daily Quantity, as well as the period of such differing Maximum Daily Quantity levels, shall be specified in the executed Firm Transportation Service Agreement.

Firm transportation service shall be subject to all provisions of the executed Firm Transportation Service Agreement between GTN and Shipper and the applicable Transportation General Terms and Conditions.

3. RATES

Shipper shall pay GTN each month the sum of the Reservation Charge, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Third Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

(Continued)



Effective Date: 01/01/2005 Status: Effective

FERC Docket: RP05-99-000

**First Revised Sheet No. 31** First Revised Sheet No. 31 : Effective  
Superseding: Original Sheet No. 31

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.1 Reservation Charge

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component

The Mileage Component shall be the product of the currently effective Mileage Rate as set forth on Effective Tariff Sheet No. 4, the distance, in pipeline miles, from the Primary Point(s) of receipt to the Primary Point(s) of Delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s).

(b) Non-Mileage Component

The Non-Mileage Component shall be the product of the currently effective Non-Mileage Rate as set forth on Effective Tariff Sheet No. 4 and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities.

(Continued)

Effective Date: 01/01/2005 Status: Effective

FERC Docket: RP05-99-000

**First Revised Sheet No. 32** First Revised Sheet No. 32 : Effective  
Superseding: Original Sheet No. 32

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.1 Reservation Charge (Continued)

Reserved For Future Use

(Continued)

Effective Date: 01/01/2005 Status: Effective  
FERC Docket: RP05- 99-000

**First Revised Sheet No. 33** First Revised Sheet No. 33 : Effective  
Superseding: Original Sheet No. 33

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.1 Reservation Charge (Continued)

- (c) Shipper's obligation to pay the Reservation Charge and applicable Reservation Surcharge is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Firm Transportation Service Agreement by both parties. The Reservation Charge and Reservation Surcharge due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the monthly Reservation Charge and Reservation Surcharge shall be due and payable each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Paragraphs 3.10 and 3.11 of this rate schedule.

3.2 Delivery Charge

The Delivery Charge shall be the product of the Delivery Rate as set forth on Effective Tariff Sheet No. 4, the quantities of gas delivered in the month (in Dth) (excluding Authorized Overrun) at point(s) of delivery on Mainline Facilities, and the distance, in pipeline miles, from the point(s) of receipt to point(s) of delivery on Mainline Facilities.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 34** Original Sheet No. 34 : Effective

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.3 Extension Charge

If Shipper designates a Primary Point of delivery on an Extension Facility, then in addition to all other charges that are applicable, Shipper shall pay the Extension Charge, which shall consist of a reservation and delivery component.

- (a) The reservation component of the Extension Charge shall be the product of Shipper's Maximum Daily Quantity at the Primary Point(s) of delivery on the Extension Facility, the applicable Extension reservation rate as set forth on Effective Tariff Sheet No. 4, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the Primary Point(s) of delivery.
- (b) The delivery component of the Extension Surcharge shall be the product of the quantities delivered at the point(s) of delivery on the Extension Facility, the applicable Extension delivery rate as set forth on Effective Tariff Sheet No. 4, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the point(s) of delivery.

3.4 Authorized Overrun Charge

Quantities in excess of Shipper's MDQ shall be transported when capacity is available on the GTN system and when the provision of such Authorized Overruns shall not effect any Shipper's rights on the GTN System. Authorized Overruns are interruptible in nature. The rate charged shall be the same as the rates and charges for interruptible transportation under Rate Schedule ITS-1 as set forth on effective Tariff Sheet No. 4, and such Authorized Overruns shall be subject to the priority of service provisions of Paragraph 19 of the Transportation General Terms and Conditions.

3.5 Applicability of Surcharges

Shipper shall pay all reservation and usage surcharges applicable to the service provided to such Shipper as set forth in GTN's FERC Gas Tariff, Third Revised Volume No. 1-A. such surcharges shall be deemed to be part of Shipper's reservation and Delivery Charges.

(Continued)

Effective Date: 08/01/2004 Status: Effective

FERC Docket: RP04-346-000

**First Revised Sheet No. 35** First Revised Sheet No. 35 : Effective

Superseding: Original Sheet No. 35

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

- 3.6 Shipper shall pay the Maximum Reservation Charge, and the Maximum Delivery Charge for service under this Rate Schedule unless GTN offers to discount the Mileage Rate components or the Non-Mileage Rate components of the Reservation Rate or the Delivery Rate under this rate schedule. If GTN elects to discount any such rate, GTN shall, up to forty-eight (48) hours prior to such discount, by written notice, advise Shipper of the effective date of such charges and the quantity of gas so affected; provided, however, such discount shall not be anticompetitive or unduly discriminatory between individual shippers. The rates for service under this rate schedule shall not be discounted below the Minimum Reservation Charge, the Minimum Delivery Rate, and applicable ACA Surcharge.

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 36** Original Sheet No. 36 : Effective

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.7 Reserved

3.8 Backhauls (as defined in Paragraph 1.30 of the Transportation General Terms and Conditions) shall be subject to the same charges as forward haul (as defined in Paragraph 1.29 of the Transportation General Terms and Conditions) except that no gas shall be retained by GTN for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of GTN's pipeline and will not be made available to Shipper if GTN determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

3.9 Reserved

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 37** Original Sheet No. 37 : Effective

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.10 Capacity Release

(a) Releasing Shippers:

Shipper shall have the option to release capacity pursuant to the provisions of GTN's capacity release program as specified in the Transportation General Terms and Conditions. Shipper may release its capacity, up to Shipper's Maximum Daily Quantity under this rate schedule, in accordance with the provisions of Paragraph 28 of GTN's Transportation General Terms and conditions of this FERC Gas Tariff, Third Revised Volume No. 1-A. Shipper shall pay a fee associated with the marketing of capacity by GTN (if applicable) in accordance with Paragraph 28 of the Transportation General Terms and Conditions. This fee shall be negotiated between GTN and the Releasing Shipper.

(b) Replacement Shippers:

Shipper may receive released capacity service under this rate schedule pursuant to Paragraph 28 of the Transportation General Terms and Conditions and is required to execute a service agreement in the form contained for capacity release under Rate Schedule FTS-1 in this Third Revised Volume No. 1-A.

Shipper shall pay GTN each month for transportation service under this rate schedule and as set forth in GTN's current Statement of Effective Rates and Charges in this Third Revised Volume No. 1-A. Charges to be paid shall be the sum of the Reservation Charge, Delivery Charge, and other applicable surcharges or penalties.

The rates paid by Shipper receiving capacity release transportation service shall be adjusted as provided on Exhibit R in the executed Transportation Service Agreement For Capacity Release between GTN and Shipper.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 38 Original Sheet No. 38 : Effective

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3.11 Reservation Charge Credit - Malin Primary Delivery Point

If GTN fails to deliver to Malin, Oregon ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all Shippers with a Malin primary delivery point receiving service under this rate schedule (hereinafter referred to as the "Non-Deficiency Amount") for more than twenty-five (25) days in any given Contract Year, then for each day during that Contract Year in excess of twenty-five (25) days that GTN so fails to deliver the Non-Deficiency Amount (a "Credit Day") Shipper, as its sole remedy, shall be entitled to a Reservation Charge Credit calculated in the manner hereinafter set forth.

For the purpose of this Paragraph 3.10, Confirmed Daily Nomination shall mean for any day, the lesser of (1) Shipper's Maximum Daily Quantity or (2) the actual quantity of gas that the connecting pipeline upstream of GTN is capable of delivering for Shipper's account to GTN at Shipper's primary point of receipt(s) on GTN less Shipper's requirement to provide compressor fuel and line losses under the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff, Third Revised Volume No. 1-A or (3) the quantity of gas that Pacific Gas And Electric Company (PG&E) is capable of accepting at Malin for Shipper's account or (4) Shipper's nomination to GTN.

The Reservation Charge Credit for each Credit Day for a particular Shipper shall be computed as follows:

$$\begin{array}{rcll} \text{Reservation Charge} & A & & B - C \\ \text{Credit for Each} & & \times & \\ \text{Credit Day} & = \frac{A}{(30.4)} & & \frac{B - C}{B} \end{array}$$

where A = Shipper's Monthly Reservation Charge  
B = Shipper's confirmed daily nomination for the Credit Day  
C = Actual quantity of gas delivered by GTN to PG&E Malin for Shipper's account for the Credit Day

Except as provided for in Paragraph 3.11 of this rate schedule, this Reservation Charge Credit is Shipper's sole remedy for nondelivery of gas by GTN.

(Continued)



Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 39 Original Sheet No. 39 : Effective

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

3.12 Reservation Charge Credit - Other than Malin Primary Delivery Point

If GTN fails to deliver Forward-haul service on a Primary Path to a primary delivery point on its system other than Malin, Oregon, ninety-five percent (95%) or more of the aggregate Confirmed Daily Nominations (as hereinafter defined) of all Shippers at such primary delivery point other than Malin receiving service under this rate schedule (hereinafter referred to as the "Non-Deficiency Amount") for more than twenty-five (25) days in any given Contract Year, then for each day during that Contract Year in excess of twenty-five (25) days that GTN so fails to deliver the Non-Deficiency Amount (a "Credit Day") Shipper, as its sole remedy, shall be entitled to a Reservation Charge Credit calculated in the manner hereinafter set forth.

For the purpose of this Paragraph 3.12, Confirmed Daily Nomination shall mean for any day, the lesser of (1) Shipper's Maximum Daily Quantity or (2) the quantity of gas that the connecting downstream pipeline(s), local distribution company pipeline(s), or end-user(s) is/are capable of accepting for Shipper's account at Shipper's point(s) of primary delivery on GTN or (3) the quantity of gas that the connecting pipeline upstream of GTN is capable of delivering to GTN for Shipper's account to GTN at Shipper's primary point of receipt(s) on GTN less Shipper's requirement to provide compressor fuel and line losses under the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff, Third Revised Volume No. 1-A or (4) Shipper's nomination to GTN.

The Reservation Charge Credit for each Credit Day for a particular Shipper shall be computed as follows:

$$\begin{array}{rcll} \text{Reservation Charge} & A & & B - C \\ \text{Credit for Each} & & \times & \text{---} \\ \text{Credit Day} & = (30.4) & & (B) \end{array}$$

where A = Shipper's Monthly Reservation Charge  
B = Shipper's confirmed daily nomination for the Credit Day  
C = Actual quantity of gas delivered by GTN to a Shipper's primary delivery point(s) (other than Malin) for Shipper's account for the Credit Day

Except as provided for in Paragraph 3.10 of this rate schedule this Reservation Charge Credit is Shipper's sole remedy for nondelivery of gas by GTN. (Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 40** Original Sheet No. 40 : Effective

Rate Schedule FTS-1  
Firm Transportation Service  
(Continued)

3. RATES (Continued)

3.13 NEGOTIATED RATES

Notwithstanding any provision of GTN's Tariff to the contrary, GTN and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of GTN's Tariff.

Such Negotiated Rate shall be set forth in Attachment B to the Firm Transportation Service Agreement and GTN shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 41** Original Sheet No. 41 : Effective

RATE SCHEDULE FTS-1  
FIRM TRANSPORTATION SERVICE  
(Continued)

4. FUEL AND LINE LOSS

For all Forward Hauls, Shipper shall furnish to GTN quantities of gas for compressor station fuel, line loss and other utility purposes, plus other unaccounted for gas used in the operation of GTN's combined pipeline system between the International Boundary near Kingsgate, British Columbia and the Oregon-California boundary for the transportation quantities of gas delivered by GTN to Shipper, based upon the effective fuel and line loss percentages in accordance with Paragraph 37 of the General Terms and Conditions. No fuel charge shall apply to transactions that do not involve a forward haul movement of gas.

5. TRANSPORTATION GENERAL TERMS AND CONDITIONS

All of the Transportation General Terms and Conditions are applicable to this rate schedule, unless otherwise stated in the executed Firm Transportation Service Agreement between GTN and Shipper. Any future modifications, additions or deletions to said Transportation General Terms and Conditions, unless otherwise provided, are applicable to firm transportation service rendered under this rate schedule, and by this reference, are made a part hereof.

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 42 - 44** Sheet Nos. 42 - 44 : Effective

Reserved For Future Use

Effective Date: 10/06/2003 Status: Effective  
FERC Docket: RP04- 23-000

**Original Sheet No. 45** Original Sheet No. 45 : Effective

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available to any party (hereinafter called "Shipper") qualifying for service pursuant to the Commission's Regulations contained in 18 CFR Part 284, and who has executed a Limited Firm Transportation Service Agreement with GTN in the form contained in this FERC Gas Tariff, Third Revised Volume No. 1-A. Limited Firm Transportation Service will be available where capacity is available on Transporter's system for such firm transportation service.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to Limited Firm gas transportation services performed by GTN for Shipper pursuant to the executed Limited Firm Transportation Service Agreement between GTN and Shipper. Over the period of time that service is provided under this rate schedule, GTN may, subject to mutual agreement and as set forth in the executed Limited Firm Transportation Agreement, restrict service in whole (Limited Day) or in part (Partial Volume Day) for a minimum and maximum number of Limited Days. Further, the Limited Firm Transportation Agreement may specify in advance particular days or periods of time which will be Limited Days. A Partial Volume Day will be counted as a Limited Day.

On those days in which service is provided in whole or in part, GTN shall receive from Shipper such daily quantities of gas up to the Shipper's Maximum Daily Quantity, or a percentage thereof on Partial Volume Days, as specified in the executed Limited Firm Transportation Service Agreement between GTN and Shipper, plus the required quantity of gas for fuel and line loss associated with service under this Rate Schedule LFS-1, and redeliver an amount equal to the quantity received less the required quantity of gas for fuel and line loss. This transportation service shall be firm and not subject to curtailment or interruption except as provided in the Limited Firm Transportation Service Agreement and in the Transportation General Terms and Conditions.

Limited Firm transportation service shall be subject to all provisions of the executed Limited Firm Transportation Service Agreement between GTN and Shipper and the applicable Transportation General Terms and Conditions.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 46** Original Sheet No. 46 : Effective

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES

Shipper shall pay GTN each month the sum of the Reservation Charge, the Delivery Charge, plus any applicable Extension Charge, Overrun Charge and applicable surcharges for the quantities of natural gas delivered. The rate(s) set forth in GTN's current Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Third Revised Volume No. 1-A are applied to transportation service rendered under this rate schedule.

3.1 Reservation Charge

The Reservation Charge shall be the sum of the Mileage and the Non-Mileage Component:

(a) Mileage Component

The Mileage Component shall equal the product of the Daily Mileage Charge (equal to the currently effective Mileage Reservation Charge as set forth on Effective Tariff Sheet No. 4 divided by the number of days in the month), the number of days in the month less the number of Limited Days, the distance in pipeline miles from the Primary Point(s) of receipt to the Primary Point(s) of delivery on Mainline Facilities as set forth in Shipper's Contract, and the Shippers Maximum Daily Quantity at such Point(s). To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.

(b) Non-Mileage Component

The Non-Mileage Component shall be the product of the Daily Non-Mileage Charge (equal to the currently effective Non-Mileage Reservation Charge as set forth on Effective Tariff Sheet No. 4 divided by the number of days in the month), the number of days in the month less the number of Limited Days, and the Shipper's Maximum Daily Quantity at Primary Point(s) of Delivery on Mainline Facilities. To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 47** Original Sheet No. 47 : Effective

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.1 Reservation Charge (Continued)

(c) Obligation to Pay

Shipper's obligation to pay the Reservation Charge and applicable Reservation Surcharge is independent of Shipper's ability to obtain export authorization from the National Energy Board of Canada, Canadian provincial removal authority, and/or import authorization from the United States Department of Energy, and shall begin with the execution of the Limited Firm Transportation Service Agreement by both parties. The Reservation Charge and Reservation Surcharge due and payable shall be computed beginning in the month in which service is first available (prorated if beginning in the month in which service is available on a date other than the first day of the month). Thereafter, the monthly Reservation Charge and Reservation Surcharge shall be due and payable each month during the Initial (and Subsequent) Term(s) of the Shipper's executed Limited Firm Transportation Service Agreement and is unaffected by the quantity of gas transported by GTN to Shipper's delivery point(s) in any month except as provided for in Paragraphs 3.10 and 3.11 of this rate schedule.

3.2 Delivery Charge

The Delivery Charge shall be the product of the Delivery Rate as set forth on Effective Tariff Sheet No. 4, the quantities of gas delivered in the month (in Dth) (excluding Authorized Overrun) at point(s) of delivery on Mainline Facilities, and the distance, in pipeline miles, from the point(s) of receipt to point(s) of delivery on Mainline Facilities.

3.3 Extension Charge

If Shipper designates a Primary Point of delivery on an Extension Facility, then in addition to all other charges that are applicable, Shipper shall pay the Extension Charge, which shall consist of a reservation and delivery component.

(Continued)

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FERC Docket: RP04-440-000

**First Revised Sheet No. 48** First Revised Sheet No. 48 : Effective  
Superseding: Original Sheet No. 48

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.3 Extension Charge (Continued)

- (a) The reservation component of the Extension Charge shall be the product of the Daily Extension Reservation Rate (equal to the currently effective Extension Reservation Rate as set forth on Effective Tariff Sheet No. 4 divided by the number of days in the month), the number of days in the month less the number of Limited Days, the distance in pipeline miles from the Receipt Point(s) to the Primary Point(s) of delivery on the Extension Facility as set forth in Shipper's Contract, and the Shipper's Maximum Daily Quantity at such Point(s). To the extent service is provided for a Partial Volume Day, an LFS shipper's MDQ for that day will be equal to its contractual MDQ multiplied by the ratio of the daily LFS quantity made available to the shipper's contractual MDQ.
- (b) The delivery component of the Extension Surcharge shall be the product of the quantities delivered at the point(s) of delivery on the Extension Facility, the applicable Extension delivery rate as set forth on Effective Tariff Sheet No. 4, and the distance, in pipeline miles, from the Receipt Point(s) on the Extension Facility to the point(s) of delivery.

3.4 Authorized Overrun Charge

Quantities in excess of Shipper's MDQ shall be transported when capacity is available on the GTN system and when the provision of such Authorized Overruns shall not effect any Shipper's rights on the GTN System. Authorized Overruns are interruptible in nature. The rate charged shall be the same as the rates and charges for interruptible transportation under Rate Schedule ITS-1 as set forth on effective Tariff Sheet No. 4, and such Authorized Overruns shall be subject to the priority of service provisions of Paragraph 19 of the Transportation General Terms and Conditions.

3.5 Applicability of Surcharges

Shipper shall pay all reservation and usage surcharges applicable to the service provided to such Shipper as set forth in GTN's FERC Gas Tariff, Third Revised Volume No. 1-A. such surcharges shall be deemed to be part of Shipper's reservation and Delivery Charges. (Continued)



*Effective Date: 08/01/2004    Status: Effective*

*FERC Docket: RP04-346-000*

**First Revised Sheet No. 49** First Revised Sheet No. 49 : Effective

Superseding: Original Sheet No. 49

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3.        RATES (Continued)

3.6      Discounted Transportation Rates

Shipper shall pay the Maximum Reservation Charge and the Maximum Delivery Charge for service under this Rate Schedule unless GTN offers to discount the Mileage Rate components or the Non-Mileage Rate components of the Reservation Rate or the Delivery Rate under this rate schedule. If GTN elects to discount any such rate, such discount shall not be anticompetitive or unduly discriminatory between individual shippers. The rates for service under this rate schedule shall not be discounted below the Minimum Reservation Charge, the Minimum Delivery Rate, and applicable ACA Surcharge.

- 3.7      Backhauls (as defined in Paragraph 1.30 of the Transportation General Terms and Conditions) shall be subject to the same charges as forward haul (as defined in Paragraph 1.29 of the Transportation General Terms and Conditions) except that no gas shall be retained by GTN for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of GTN's pipeline and will not be made available to Shipper if GTN determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

(Continued)

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FERC Docket: RP04- 23-000

**Original Sheet No. 50** Original Sheet No. 50 : Effective

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.8 Capacity Release

(a) Releasing Shippers:

Shipper shall have the option to release capacity pursuant to the provisions of GTN's capacity release program as specified in the Transportation General Terms and Conditions. Shipper may release its capacity, up to Shipper's Maximum Daily Quantity under this rate schedule, in accordance with the provisions of Paragraph 28 of GTN's Transportation General Terms and Conditions of this FERC Gas Tariff, Third Revised Volume No. 1-A. Shipper shall pay a fee associated with the marketing of capacity by GTN (if applicable) in accordance with Paragraph 28 of the Transportation General Terms and Conditions. This fee shall be negotiated between GTN and the Releasing Shipper.

(b) Replacement Shippers:

Shipper may receive released capacity service under this rate schedule pursuant to Paragraph 28 of the Transportation General Terms and Conditions and is required to execute a service agreement in the form contained for capacity release under Rate Schedule LFS-1 in this Third Revised Volume No. 1-A.

All replacement shippers must accept the same provisions regarding and circumstances relating to Limited Days as apply under the Releasing Shipper's Agreement, including the number of Limited Days remaining in an applicable defined period. Any required capacity release posting must state and describe the contract provisions relating to Limited Days. When a Releasing Shipper releases a volumetric portion of its full contract path, capacity on a Limited or Partial Volume Day shall be prorated among the original and replacement Shippers based on their respective MDQs. When a Releasing Shipper releases a segment of its full contract path, the number of Limited Days that apply to the Replacement will be the number of Limited Days that remain on the Releasing Shipper's Agreement.

(Continued)

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FERC Docket: RP04-440-000

**First Revised Sheet No. 51** First Revised Sheet No. 51 : Effective  
Superseding: Original Sheet No. 51

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.8 Capacity Release (Continued)

(b) Replacement Shippers: (Continued)

In this case, the Releasing and Replacement Shipper Agreements will be treated separately for purposes of calling Limited or Partial Volume Days. In the event of a recall of segmented released capacity, once the capacity reverts to the original Shipper, that Shipper is bound by the greater of the number of Limited Days remaining for either the original or Replacement Shipper in the relevant defined time period. GTN will notify Replacement Shippers, both permanent and temporary, of whether days are Limited or Partial Volume Days.

Shipper shall pay GTN each month for transportation service under this rate schedule and as set forth in GTN's current Statement of Effective Rates and Charges in this Third Revised Volume No. 1-A. Charges to be paid shall be the sum of the Reservation Charge, Delivery Charge, and other applicable surcharges or penalties.

The rates paid by Shipper receiving capacity release transportation service shall be adjusted as provided in the executed Limited Firm Transportation Service Agreement between GTN and Shipper.

(Continued)

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Original Sheet No. 52** Original Sheet No. 52 : Effective

RATE SCHEDULE LFS-1  
LIMITED FIRM TRANSPORTATION SERVICE  
(Continued)

3.9    Negotiated Rates

Notwithstanding any provision of GTN's Tariff to the contrary, GTN and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of GTN's Tariff.

Such Negotiated Rate shall be set forth in Attachment B to the Limited Firm Transportation Service Agreement and GTN shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

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FERC Docket: RP04- 23-000

Original Sheet No. 53 Original Sheet No. 53 : Effective

RATE SCHEDULE LFS-1  
LIMITED TRANSPORTATION SERVICE  
(Continued)

4. FUEL AND LINE LOSS

For all Forward Hauls, Shipper shall furnish to GTN quantities of gas for compressor station fuel, line loss and other utility purposes, plus other unaccounted for gas used in the operation of GTN's combined pipeline system between the International Boundary near Kingsgate, British Columbia and the Oregon-California boundary for the transportation quantities of gas delivered by GTN to Shipper, based upon the effective fuel and line loss percentages in accordance with Paragraph 37 of the General Terms and Conditions. No fuel charge shall apply to transactions that do not involve a forward haul movement of gas.

5. Notification of Limited Days

(a) Notification

GTN shall notify Shipper no later than two and one-half hours prior to the deadline for timely nominations for a day if that day is going to be a Limited Day or Partial Volume Day. Notification shall be made by e-mail or other mutually agreed method. To the extent that GTN notifies Shipper of a Partial Volume Day, the notice will specify the volume of service which will be made available to Shipper that day.

If timely notice is not provided by GTN on any day of a Limited Day or Partial Volume Day, Shipper will be able to nominate up to its full MDQ in accordance with the Scheduling and Nomination procedures in GTN's General Terms and Conditions. Timely notice will be assumed to have been provided for predetermined Limited or Partial Volume Days pursuant to the Limited Firm Transportation Service Agreement between GTN and Shipper.

(b) Determination of Limited Days

Limited Days or Partial Volume Days shall be determined by GTN separately for each LFS Agreement, subject to the parameters defined in the Limited Firm Transportation Service Agreement. To the extent that GTN can identify the conditions under which it will call a Limited Day or Partial Volume Day, GTN shall specify such conditions in the Limited Firm Transportation Service Agreement, provided, however, that GTN will still be able to call a Limited Day or Partial Volume Day based upon other conditions.

(continued)

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Original Sheet No. 54** Original Sheet No. 54 : Effective

RATE SCHEDULE LFS-1  
LIMITED TRANSPORTATION SERVICE  
(Continued)

6. TRANSPORTATION GENERAL TERMS AND CONDITIONS

All of the Transportation General Terms and Conditions are applicable to this rate schedule, unless otherwise stated in the Rate Schedule LFS-1 tariff provisions contained herein or in the executed Limited Firm Transportation Service Agreement between GTN and Shipper. Any future modifications, additions or deletions to said Transportation General Terms and Conditions, unless otherwise provided, are applicable to firm transportation service rendered under this rate schedule, and by this reference, are made a part hereof.

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 55 - 59** Sheet Nos. 55 - 59 : Effective

Reserved For Future Use

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FERC Docket: RP04- 23-000

**Original Sheet No. 60** Original Sheet No. 60 : Effective

RATE SCHEDULE ITS-1  
INTERRUPTIBLE TRANSPORTATION SERVICE

1. AVAILABILITY

This rate schedule is available to any party (hereinafter called "Shipper") qualifying for service pursuant to the Commission's regulations contained in 18 CFR Part 284, and who has executed an Interruptible Transportation Service Agreement with GTN in the form contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to interruptible gas transportation services performed by GTN for Shipper pursuant to the executed Interruptible Transportation Service Agreement between GTN and Shipper. GTN shall receive from Shipper such daily quantities of gas up to the Shipper's Maximum Daily Quantity as specified in the executed Interruptible Transportation Service Agreement between GTN and Shipper plus the required quantity of gas for fuel and line losses associated with service under this Rate Schedule ITS-1 and redeliver an amount equal to the quantity received less the required quantity for fuel and line loss. This transportation service shall be subject to curtailment of interruption as provided in the Transportation General Terms and Conditions contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

Interruptible transportation service shall be subject to all provisions of the executed Interruptible Transportation Service Agreement between GTN and Shipper and the applicable transportation General Terms and Conditions contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

3. RATES

Shipper shall pay GTN, each month, for the transportation of quantities of natural gas delivered, the Delivery Charge, plus any applicable Extension Charges, Overrun Charge and any applicable surcharges. The rate(s) set forth under Rate Schedule ITS-1 in GTN's current Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Third Revised Volume No. 1-A are applied to interruptible transportation service rendered under this rate schedule.

(Continued)



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**First Revised Sheet No. 61** First Revised Sheet No. 61 : Effective

Superseding: Original Sheet No. 61

RATE SCHEDULE ITS-1  
INTERRUPTIBLE TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.1 Interruptible Transportation Charge

The monthly Interruptible Transportation Charge shall be the sum of the Mileage Component and Non-Mileage Component.

(a) Mileage Component

The Mileage Component shall be the product of the currently effective Mileage Rate as set forth on the Effective Tariff Sheet No. 4, the distance, in pipeline miles, from the Primary Point(s) of Receipt to the Primary Point(s) of Delivery, and the quantities of gas delivered at such point(s) during the month (Dth).

(b) Non-Mileage Component

The Non-Mileage Component shall be the product of the currently effective Non-Mileage Rate as set forth on effective Tariff Sheet No. 4 and the quantities of gas delivered during the month (Dth) at point(s) of delivery on Mainline Facilities for immediate delivery to the facilities of another entity or to an Extension Facility.

3.2 Extension Charge

If Shipper designates a point(s) of delivery on an Extension Facility, then, in addition to all other charges that are applicable, Shipper shall pay the Extension Charge, which shall be the product of the quantities delivered at the point(s) of delivery on the Extension Facility, the applicable Extension Delivery Rate as set forth on effective tariff Sheet No. 4, and the distance, in pipeline miles, from the point(s) of receipt(s) on the Extension Facility to the point(s) of delivery.

3.3 Applicability of Surcharges

Shipper shall pay all surcharges applicable to the service provided to Shipper as set forth in GTN's FERC Gas Tariff, Third Revised Volume No. 1-A. Such surcharges shall be deemed to be part of Shipper's Delivery Charge.

(Continued)

RATE SCHEDULE ITS-1  
INTERRUPTIBLE TRANSPORTATION SERVICE  
(Continued)

3. RATES (Continued)

3.4 Shipper shall pay the Maximum Delivery Rate for service under this rate schedule unless GTN offers to discount its rate to Shipper under this rate schedule. If GTN elects to discount its rate, GTN shall, up to forty-eight (48) hours prior to such discount, by written notice, advise Shipper of the effective date of such charge and the quantity of gas so affected, provided, however, such discount shall not be anti-competitive or unduly discriminatory between individual Shippers. The rate for service under this rate schedule shall not be discounted below the Minimum Delivery Rate. The Minimum Delivery Rate shall be the Minimum Base Tariff Rate and applicable ACA Surcharge.

3.5 Reserved

3.6 Backhauls or upstream deliveries shall be subject to the same charges as forward haul or downstream transportation arrangements except that no gas shall be retained by GTN, for gas.

3.7 Negotiated Rates

Notwithstanding any provision of GTN's Tariff to the contrary, GTN and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of GTN's Tariff.

Such Negotiated Rate shall be set forth in Attachment B to the Interruptible Transportation Service Agreement and GTN shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

(Continued)

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FERC Docket: RP04- 23-000

**Original Sheet No. 63** Original Sheet No. 63 : Effective

RATE SCHEDULE ITS-1  
INTERRUPTIBLE TRANSPORTATION SERVICE  
(Continued)

3.7 NEGOTIATED RATES (continued)

Shippers paying a Negotiated Rate which exceeds the maximum applicable tariff rate shall be considered to be paying the maximum applicable tariff rate for purposes of scheduling, curtailment, and interruption, and calculating the economic value of a request for available or unsubscribed capacity.

4. AUTHORIZED OVERRUNS

Quantities in excess of Shipper's MDQ shall be transported when capacity is available on the GTN system and when the provision of such Authorized Overruns shall not affect any Shipper's rights on the GTN system. Authorized Overruns are interruptible in nature. The rate changed shall be the rates and charges as specified in Paragraph 3 of this rate schedule. Authorized Overruns shall be subject to the priority of service provisions of Paragraph 19 of the Transportation General Terms and Conditions. Revenues derived from Authorized Overruns shall be deemed to be interruptible revenues and credited in accordance with Paragraph 35 of the Transportation General Terms and Conditions.

5. FUEL AND LINE LOSS

Shipper shall furnish to GTN quantities of gas for compressor station fuel, line loss and other utility purposes, plus other unaccounted for gas used in the operation of GTN's combined pipeline system between the International Boundary near Kingsgate, British Columbia and the Oregon-California boundary for the transportation quantities of gas delivered by GTN to Shipper, based upon the effective fuel and line loss percentages in accordance with Paragraph 37 of the General Terms and Conditions.

6. TRANSPORTATION GENERAL TERMS AND CONDITIONS

All of the Transportation General Terms and Conditions except Paragraphs 28, 31, 33, 35 and 36 are applicable to this rate schedule, unless otherwise expressed in the executed Interruptible Transportation Service Agreement between GTN and Shipper. Any future modifications, additions or deletions to said Transportation General Terms and Conditions, unless otherwise provided, are applicable to interruptible transportation service rendered under this rate schedule, and, by this reference, are made a part hereof.

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet No. 64** Sheet No. 64 : Effective

Reserved For Future Use

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FERC Docket: RP04-440-000

**First Revised Sheet No. 65** First Revised Sheet No. 65 : Effective  
Superseding: Original Sheet No. 65

RATE SCHEDULE USS - 1  
UNBUNDLED SALES SERVICE

1. AVAILABILITY

This rate schedule is provided by GTN to a Buyer which has  
(i) executed a firm transportation service agreement with GTN  
and (ii) designated Kingsgate, British Columbia as the primary point  
of receipt under said transportation service agreement. GTN  
shall limit the quantity of gas sold to Buyer under this rate  
schedule, or superseding rate schedule(s), to 1,023 MMcf/day. Service  
under this rate schedule, or superseding rate schedule(s), shall not  
become effective until so approved by the FERC. Nothing herein shall  
obligate GTN to secure new gas supplies for Buyer.

2. APPLICABILITY AND CHARACTER OF SERVICE

This rate schedule shall apply to the sale of Canadian source natural  
gas by GTN to Buyer at the International Boundary in the  
vicinity of Kingsgate, British Columbia. GTN shall sell to  
Buyer at Kingsgate such daily quantities of gas as Buyer may desire up  
to Buyer's Maximum Daily Purchase Quantity, as specified in Buyer's  
executed gas purchase service agreement under this rate schedule, or  
superseding rate schedule(s). Buyer shall be responsible for  
arranging the firm transportation of said gas on GTN from  
Kingsgate to Buyer's point(s) of delivery on GTN. GTN's  
sale of gas to Buyer shall be firm and not subject to curtailment  
except as provided in the executed gas supply service agreement.

3. RATES AND CHARGES

The Rates and Charges shall be provided in the executed gas purchase  
service agreement between GTN and Buyer.

4. HEAT CONTENT

Refer to the General Terms and Conditions contained in the executed  
gas purchase service agreement between GTN and Buyer.

5. MEASUREMENT BASE

Refer to the General Terms and Conditions contained in the executed  
gas purchase service agreement between GTN and Buyer.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 66** Original Sheet No. 66 : Effective

RATE SCHEDULE USS - 1  
UNBUNDLED SALES SERVICE  
(Continued)

6. GENERAL TERMS AND CONDITIONS

All of the General Terms and Conditions of service applicable to this rate schedule are included in the executed gas purchase service agreement between GTN and Buyer. Buyer shall comply with the creditworthiness criteria as provided in Paragraph 21.7 of the Transportation General Terms and Conditions of this Third Revised Volume No. 1-A.

7. FORM OF AGREEMENT

To receive service under this rate schedule, or superseding rate schedule(s), Buyer must execute a gas purchase service agreement with GTN.

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 67 Original Sheet No. 67 : Effective

RATE SCHEDULE PS-1  
PARKING SERVICE

1. AVAILABILITY

This rate schedule is available to any party (hereinafter called "Shipper") qualifying for service pursuant to the Commission's regulations contained in 18 CFR Part 284, and who has executed a Parking Service Agreement with GTN in the form contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to Parking Service performed by GTN. Gas may be parked (stored) for a period up to one calendar month, and such period may be extended with GTN's permission. The service is interruptible in nature, and shall be provided to the extent GTN's system permits the provision of such service and that the provision of such service shall not prevent GTN from meeting all of its firm and interruptible service obligations, including GTN's system needs.
- 2.2 Service hereunder shall consist of the receipt by GTN of natural gas tendered by Shipper for PS-1 service and the parking of that natural gas by GTN for Shipper's account at the receipt points specified in Shipper's Parking Service Agreement.
- 2.3 GTN shall establish and maintain a Parking Account for each Shipper utilizing the services herein.
- 2.4 GTN shall receive from Shipper such daily quantities of gas nominated and scheduled for receipt by GTN and park such amount of gas for a minimum of one (1) day. Such quantities received shall be credited to Shipper's Parking Account.
- 2.5 Shippers electing to withdraw gas from their Parking Account may nominate a quantity up to the quantity of gas available in Shipper's Parking Account at the point the gas was parked. Such quantities withdrawn shall be debited from Shipper's Parking Account.
- 2.6 At the time Shipper nominates quantities of gas for receipt by GTN into Shipper's Parking Account, Shipper shall also provide a schedule of the quantities of withdrawals and delivery points to be used for withdrawal under Shipper's Transportation Service Agreement(s). Shipper may subsequently adjust it schedule subject to GTN's agreement. (Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 68 Original Sheet No. 68 : Effective

RATE SCHEDULE PS-1 PARKING SERVICE  
(Continued)

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

- 2.7 In the event GTN does not have sufficient capacity on a given day to satisfy all nominations to park or withdraw gas under this rate schedule, GTN shall schedule nominations in sequence, starting with the nomination of the Shipper paying the highest rate for service under this rate schedule. If two or more Shippers are paying the same rate for service under this rate schedule, the nominations of such Shippers shall be scheduled on a pro-rata basis, using confirmed quantities.
- 2.8 If GTN upon nomination by Shipper fails to schedule quantities of gas for withdrawals from Shipper's Parking Account for a period of thirty (30) consecutive days, GTN will be obligated to purchase the quantity of gas in Shipper's Parking Account at a price equal to 120% of the Monthly Contract Index as published in Gas Daily for GTN (Kingsgate) applicable for the month in which the thirtieth (30th) day of curtailment occurs.
- 2.9 GTN may require Shipper to withdraw all, or any portion of the gas quantities parked by GTN within thirty (30) days of GTN's notice to Shipper. If Shipper fails to arrange for the withdrawal of the quantities specified by GTN in its notice, despite the availability of capacity for the withdrawal of Shipper's gas under its PS-1 Service Agreement, GTN shall take title to that portion of Shipper's PS-1 Parking Account that Shipper was instructed to withdraw, free and clear of any adverse claims. GTN's notice to Shipper may be verbal and in such case shall be followed by a written confirmation. To protect its system, GTN may require the withdrawal of quantities of gas in Shipper's Parking Account within 24 hours. In the event Shipper does not cause the withdrawal of gas within 24 hours, GTN shall have the right to take title to those quantities of gas in Shipper's Parking Account free and clear of any adverse claims.
- 2.10 Not more than thirty (30) days after the termination of the PS-1 Service Agreement executed by Shipper under this Rate Schedule, GTN will notify Shipper of Shipper's Parking Account balance. If there is a balance remaining, Shipper will nominate for withdrawal such quantities within thirty (30) days of the date of GTN's notice.

(Continued)



*Effective Date: 04/30/2010    Status: Effective*

*FERC Docket: RP10-550-000*

**First Revised Sheet No. 69** First Revised Sheet No. 69

Superseding: Original Sheet No. 69

RATE SCHEDULE PS-1  
PARKING SERVICE  
(Continued)

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

- 2.11 Shippers requesting Parking Service shall use GTN's Service Request Form available on GTN's EBB or by contacting GTN at the following location:

Gas Transmission Northwest Corporation  
Commercial Services  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761

- 2.12 Parking Service shall be subject to curtailment pursuant to the applicable Transportation General Terms and Conditions contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

3. RATES

Shipper shall pay GTN, each month, for services provided under Rate Schedule PS-1. The maximum and minimum rate(s) set forth under Rate Schedule PS-1 in GTN's current Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, Third Revised Volume No. 1-A are applicable to Parking Service rendered hereunder.

The monthly charges for Parking Service shall be the product of the quantities of gas in Shipper's Parking Account and the maximum PS-1 rate as set forth in the current Statement of Rates and Charges for the Transportation of Natural Gas, unless GTN elects to discount such rate, for each day gas remains in the Parking Account until withdrawal.

If, on any day, Shipper nominates quantities of gas to be withdrawn from its Parking Account but GTN is unable to schedule all such quantities nominated, GTN shall suspend the PS-1 rate charges for that quantity not scheduled until GTN is able to schedule the quantity nominated.

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*FERC Docket: RP10-550-000*

**Second Revised Sheet No. 70** Second Revised Sheet No. 70

Superseding: First Revised Sheet No. 70

RATE SCHEDULE PS-1  
PARKING SERVICE  
(Continued)

3.1 NEGOTIATED RATES

Notwithstanding any provision of GTN's Tariff to the contrary, GTN and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of GTN's Tariff.

Such Negotiated Rate shall be set forth in Attachment B to the Parking Service Agreement and GTN shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the maximum applicable tariff rate shall be considered to be paying the maximum applicable tariff rate for purposes of scheduling, curtailment, and interruption, and calculating the economic value of a request for available or unsubscribed capacity.

4. PARKING GENERAL TERMS AND CONDITIONS

All of the Transportation General Terms and Conditions except Paragraphs 20, 22, 28, 31, 33, 35 and 36 are applicable to this rate schedule, unless otherwise expressed in the executed Parking Service Agreement between GTN and Shipper. Any future modifications, additions or deletions to said Transportation General Terms and Conditions, unless otherwise provided, are applicable to Parking service rendered under this rate schedule, and, by this reference, are made a part hereof.

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 71** Original Sheet No. 71 : Effective

RATE SCHEDULE AIS-1  
AUTHORIZED IMBALANCE SERVICE

1. AVAILABILITY

This rate schedule is available to any party (hereinafter called "Shipper") qualifying for service pursuant to the Commission's regulations contained in 18 CFR Part 284, and who has executed an Authorized Imbalance Service Agreement with GTN in the form contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 This rate schedule shall apply to Authorized Imbalance Service performed by GTN. This service is interruptible in nature.
- 2.2 GTN will authorize AIS-1 service for any Shipper only if, within GTN's best operating judgement and discretion, such service is not otherwise expected to prevent GTN from meeting all of its firm and interruptible service obligations, including GTN's system needs. In the event that service has already commenced and GTN learns that the continued furnishing of service may prevent GTN from meeting all of its firm and interruptible service obligations then GTN may, at its sole discretion and upon giving appropriate notice to Shipper(s), interrupt the continuation of any or all of the services hereunder.
- 2.3 GTN shall establish and maintain an Authorized Imbalance Account for Shipper utilizing this service.
- 2.4 Service hereunder shall consist of the advancement (loan) to Shipper upon nomination and subsequent confirmation of such daily quantities of gas, up to Shipper's Maximum Quantity (MQ) as specified in the executed Authorized Imbalance Service Agreement between GTN and Shipper. Quantities of gas advanced to Shipper shall be debited to Shipper's Authorized Imbalance Account. Shipper and GTN, at the time such advances are confirmed, will agree to a redelivery (return of loaned gas) schedule setting out the daily quantities of gas Shipper will deliver to GTN and the point at which gas will be delivered to GTN to reduce Shipper's Authorized Imbalance to zero.

(Continued)

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FERC Docket: RP04- 23-000

Original Sheet No. 72 Original Sheet No. 72 : Effective

RATE SCHEDULE AIS-1  
AUTHORIZED IMBALANCE SERVICE  
(Continued)

2. APPLICABILITY AND CHARACTER OF SERVICE (Continued)

- 2.5 In the event GTN does not have sufficient capacity on a given day to satisfy all nominations to borrow or repay gas under this rate schedule, GTN shall schedule nominations in sequence, starting with the nomination of the Shipper paying the highest rate for service under this rate schedule. If two or more Shippers are paying the same rate for service under this rate schedule, the nominations of such Shippers shall be scheduled on a pro-rata basis, using confirmed quantities.
- 2.6 Shipper shall be required to return the quantity of gas advanced by GTN at the point it was advanced. Shipper may nominate for the return of advanced gas at any time within the agreed upon delivery schedule, and GTN shall accept such gas to the extent it has capacity to do so. Shipper must return the quantities of gas specified in its nomination in accordance with GTN's confirmation of Shipper's nomination
- 2.7 If Shipper fails to deliver quantities of gas as set out in the redelivery schedule, Shipper will be obligated to purchase such quantities of gas from GTN at the highest price, determined as 200% of the Monthly Contract Index for GTN (Kingsgate) as published in Gas Daily, among:
- a) the month in which the authorized imbalance occurred,
  - b) the month in which redelivery of the authorized imbalance was scheduled but did not occur, and;
  - c) any month between (a) and (b) above.
- 2.8 Authorized Imbalance Service shall be subject to curtailment or interruption pursuant to the applicable Transportation General Terms and Conditions contained in this FERC Gas Tariff, Third Revised Volume No. 1-A.
- 2.9 Shipper may demonstrate credit-worthiness by providing two years of audited financial statements demonstrating adequate financial strength to justify the amount of credit to be extended. Shippers unable to qualify on this basis may qualify for service by providing a letter of credit issued by a credit-worthy financial institution and in a form acceptable to GTN or by providing prepayment in an amount sufficient to cover the maximum amount of charges to be incurred.

(Continued)

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FERC Docket: RP04- 23-000

**Original Sheet No. 73** Original Sheet No. 73 : Effective

RATE SCHEDULE AIS-1  
AUTHORIZED IMBALANCE SERVICE  
(Continued)

3. RATES

Shipper shall pay GTN, each month, for services provided under Rate Schedule AIS-1. The maximum and minimum rate(s) set forth under Rate Schedule AIS-1 in GTN's current Statement of Effective Rates and Charges for Transportation of Natural Gas are applicable to Authorized Imbalance Service rendered hereunder.

The monthly charges for Authorized Imbalance Service shall be the product of the quantities of gas advanced to Shipper's Authorized Imbalance Account and the maximum AIS-1 rate as set forth in the current Statement of Effective Rates and Charges for Transportation of Natural Gas (unless GTN elects to discount this rate) for each day that Shipper has not returned the advanced gas to GTN.

If GTN, upon nomination by Shipper, fails to schedule quantities of gas for return to GTN within the planned redelivery schedule, GTN and Shipper will agree to a revised redelivery schedule. Additionally, GTN will suspend the AIS-1 rate charges for the quantity of gas nominated but not scheduled for as long as the interruption or curtailment is in effect.

3.1 NEGOTIATED RATES

Notwithstanding any provision of GTN's Tariff to the contrary, GTN and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of GTN's Tariff.

Such Negotiated Rate shall be set forth in Attachment B to the AIS Transportation Service Agreement and GTN shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

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*FERC Docket: RP05-635-000*

**First Revised Sheet No. 74** First Revised Sheet No. 74 : Effective  
Superseding: Original Sheet No. 74

RATE SCHEDULE AIS-1  
AUTHORIZED IMBALANCE SERVICE  
(Continued)

3.1 NEGOTIATED RATES (continued)

Shippers paying a Negotiated Rate which exceeds the maximum applicable tariff rate shall be considered to be paying the maximum applicable tariff rate for purposes of scheduling, curtailment, and interruption, and calculating the economic value of a request for available or unsubscribed capacity.

4. AUTHORIZED IMBALANCE GENERAL TERMS AND CONDITIONS

All of the Transportation General Terms and Conditions except Paragraphs 20, 22, 28, 31, 33, 35 and 36 are applicable to this rate schedule, unless otherwise expressed in the executed Authorized Imbalance Service Agreement between GTN and Shipper. Any future modifications, additions or deletions to said Transportation General Terms and Conditions, unless otherwise provided, are applicable to interruptible scheduled imbalance service rendered under this rate schedule, and, by this reference, are made a part hereof.

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**Sheet Nos. 75 - 99** Sheet Nos. 75 - 99 : Effective

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**Sixth Revised Sheet No. 100** Sixth Revised Sheet No. 100 : Effective

Superseding: Fifth Revised Sheet No. 100

TRANSPORTATION GENERAL TERMS AND CONDITIONS

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**Seventh Revised Sheet No. 100** Seventh Revised Sheet No. 100 : Pending

Superseding: Sixth Revised Sheet No. 100

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**Fourth Revised Sheet No. 101** Fourth Revised Sheet No. 101

Superseding: Third Revised Sheet No. 101

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

1. DEFINITIONS

- 1.1 Gas Day: In accordance with NAESB Standard 1.3.1, Version 1.8, the term "Gas Day" shall be 9:00 a.m. to 9:00 a.m. Central Clock Time (7:00 a.m. to 7:00 a.m. Pacific Clock Time).
- 1.1.1 Business Day: The term "Business Day" shall mean Monday through Friday, excluding U.S. Federal Banking Holidays for transactions in the United States and similar holidays for transactions occurring in Canada and Mexico.
- 1.2 Month: The word "month" shall mean a period extending from the beginning of the first day in a calendar month to the beginning of the first day in the next succeeding calendar month.
- 1.3 Maximum Daily Quantity: The term "Maximum Daily Quantity" (MDQ) shall mean the maximum daily quantity in Dth of gas which GTN agrees to deliver exclusive of an allowance for compressor station fuel, line loss and other unaccounted for gas and transport for the account of Shipper to Shipper's point(s) of delivery on each day during each year during the term of Shipper's Transportation Service Agreement with GTN.
- 1.4 Energy Affiliate: The term "Energy Affiliate" shall have the meaning provided in Commission Order No. 2004, et seq.
- 1.5 Gas: The word "gas" shall mean natural gas.
- 1.6 Cubic Foot of Gas: The term "cubic foot of gas" is defined in accordance with NAESB Standard 2.3.9, Version 1.7, as that quantity of gas which measures one (1) cubic foot at standard conditions of 14.73 dry psia, 60 degrees F. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C. Standard 2.3.9, Version 1.7 states in full "Standardize the reporting basis for Btu as 14.73 psia and 60 degrees F (101.325 kPa and 15 degrees C, and dry). Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm<sup>2</sup> and 15.6 degrees C and dry. Standardize the reporting basis for gas volumes as cubic foot at standard conditions of 14.73 psia, 60 degrees, F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C, and dry."
- 1.7 Mcf: The term "Mcf" shall mean one thousand (1,000) cubic feet of gas and shall be measured as set forth in Paragraph 5 hereof. The term "MMcf" shall mean one million (1,000,000) cubic feet of gas.

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FERC Docket: RP04- 23-000

Original Sheet No. 102 Original Sheet No. 102 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS

1. DEFINITIONS (Continued)

- 1.8 Dekatherm: The term "Dekatherm" (or "Dth") is the quantity of heat energy equivalent to one million (1,000,000 British Thermal Units (MMBtu). Dth is the standard quantity for Nominations, confirmations and Scheduled Quantities in the United States. For purposes of this tariff and associated Service Agreements, the terms MMBtu and Dth are synonymous.
- 1.9 Btu: The term "Btu" shall mean British Thermal Unit. The term "MMBtu" shall mean one million (1,000,000) British Thermal Units. The reporting basis for Btu shall be standardized as 14.73 dry psia and 60 degrees (60o) Fahrenheit (101.325 kPa and 15.6 degrees C).
- 1.10 Gross Heating Value. The term "gross heating value" shall mean the number of Btus in a cubic foot of gas at a temperature of sixty degrees (600) Fahrenheit, saturated with water vapor, and at an absolute pressure equivalent to thirty (30) inches of mercury at thirty-two degrees (320) Fahrenheit.
- 1.11 Psig. The term "psig" shall means pounds per square inch gauge.
- 1.12 Releasing Shipper: A firm transportation Shipper which intends to post its service to be released to a Replacement Shipper, has posted the service for release, or has released its service.
- 1.13 Replacement Shipper: A Shipper which has contracted to utilize a Releasing Shipper's service for a specified period of time.
- 1.14 Posting Period: The period of time during which a Releasing Shipper may post, or have posted by the pipeline, all or a part of its service for release to a Replacement Shipper.
- 1.15 Release Term: The period of time during which a Releasing Shipper intends to release, or has released all or a portion of its contracted quantity of service to a Replacement Shipper.

(Continued)

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**First Revised Sheet No. 103** First Revised Sheet No. 103 : Effective

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

1. DEFINITIONS (Continued)

- 1.16 Bid Period: The period of time during which a Replacement Shipper may bid to contract for a parcel which has been posted for release by a Releasing Shipper.
- 1.17 Parcel: The term utilized to describe an amount of capacity, expressed in Dth/d, from a specific receipt point to a specific delivery point for a specific period of time which is released and bid on pursuant to the capacity release provisions contained in Paragraph 28 of these Transportation General Terms and Conditions.
- 1.18 Primary Release: The term used to describe the release of capacity by a Releasing Shipper receiving service under a Part 284 firm transportation rate schedule.
- 1.19 Secondary Release: The term used to describe the release of capacity by a Replacement Shipper receiving service under a Part 284 firm transportation rate schedule.
- 1.20 Bid Reconciliation Period: The period of time subsequent to the Bid Period during which bids are evaluated by GTN.
- 1.21 Match Period: The period of time subsequent to the Bid Reconciliation Period and before the notification deadline for awarding capacity for Prearranged Deals that require bidding. During this period, the Prearranged Shipper may match any higher bids for the Parcel.
- 1.22 Mainline Facilities: The term "Mainline Facilities" shall mean the 36-inch and 42-inch mains and appurtenant facilities extending from the interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System and Foothills Pipe Lines (South B.C.) Ltd., near Kingsgate, British Columbia to the interconnection with the pipeline facilities of Pacific Gas and Electric Company near Malin, Oregon.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

1. DEFINITIONS (Continued)

- 1.23 Extension Facilities: The term "Extension Facilities" shall mean the 12-inch mains and appurtenant facilities extending from GTN's mainline facilities at Milepost 304.25 and the 16-inch and 12-inch mains and appurtenant facilities extending from GTN's Mainline Facilities at Milepost 599.20 that were authorized in Docket No. CP93-618-000. The term "Extension Facility" shall mean one of the Extension Facilities.
- 1.24 Subject Shipper: The term "Subject Shipper" shall mean the Shippers identified in Appendix G of the Stipulation and Agreement in Docket No. RP94-149-000, et al., and Shippers that have obtained service rights from such Shippers.
- 1.25 Nominations: A "Nomination" shall be the provision of information to GTN necessary to effectuate a transportation transaction. Specific Nomination procedures are set forth in Section 19.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 1.26 Intraday Nomination: An "Intraday Nomination" is a Nomination submitted after the Nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of the Gas Day.
- 1.27 North American Energy Standards Board Standards: The term "North American Energy Standards Board Standards" or "NAESB Standards" shall mean the standardized business practices and electronic communication practices promulgated by the North American Energy Standards Board from time to time and incorporated in the Code of Federal Regulations by the Federal Energy Regulatory Commission.
- 1.28 Asset Manager: A party that agrees to manage gas supply and delivery arrangements, including transportation and storage capacity, for another party. The asset manager uses released capacity to serve the gas supply requirements of the releasing shipper and, when the capacity is not needed for that purpose, uses the capacity to make releases or bundled sales to third parties.

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

1. DEFINITIONS (Continued)

- 1.29 Forward Haul: The term "Forward Haul" shall refer to transportation service on GTN's system in which the nominated direction of flow from receipt point to delivery point is in the same direction as physical gas flow on the GTN system.
- 1.30 Backhaul: The term "Backhaul" shall refer to transportation service on GTN's system in the opposite direction of a Forward Haul as defined in Section 1.29 above.
- 1.31 Primary Path: The term "Primary Path" shall mean the transportation path established by the receipt and delivery points as set forth in Shipper's executed Service Agreement. A shipper's Primary Path may be either a Forward Haul or a Backhaul as defined in Sections 1.29 and 1.30 above.
- 1.32 Reverse Path: The term "Reverse Path" shall mean the transportation path that is in the opposite direction of that Shipper's Primary Path as defined in Section 1.31 above. A shipper's Reverse Path may be either a Forward Haul or a Backhaul as defined in Sections 1.29 and 1.30 above. Reverse Path transactions are subject to the operating conditions of GTN's pipeline and will not be made available to Shipper if GTN determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.
- 1.33 Negotiated Rate. The term "Negotiated Rate" shall mean a rate (including a Negotiated Rate Formula) that GTN and a Shipper have agreed will be charged for service under Rate Schedules FTS-1, LFS-1, ITS-1, AIS-1 or PS-1 where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or be less than the minimum rate, for such component set forth in GTN's tariff for the given service. Any Agreement entered into after the effective date of this subsection which provides for a rate under Rate Schedules FTS-1, LFS-1, ITS-1, AIS-1 or PS-1 other than the applicable maximum rate shall contain a provision setting out the mutual agreement of the parties as to whether the pricing terms represent a discounted rate or a negotiated rate.

(Continued)

**Third Revised Sheet No. 106** Third Revised Sheet No. 106 : Effective  
Superseding: Second Revised Sheet No. 106

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

1. DEFINITIONS (Continued)

- 1.34 Negotiated Rate Formula. The term "Negotiated Rate Formula" shall mean a rate formula that GTN and a Shipper have agreed will apply to service under a specific contract under Rate Schedules FTS-1, LFS-1, ITS-1, AIS-1 or PS-1 which results in a rate where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or may be less than the minimum rate, for such component set forth in GTN's Tariff for the given service.
- 1.35 Recourse Rate. The term "Recourse Rate" shall mean the applicable maximum rate that would apply to a service but for the rate flexibility allowed under Section 31 of this Gas Tariff.
- 1.36 Existing Capacity. The term "Existing Capacity" shall mean capacity that has been in-service beyond the initial terms of Agreements that originally supported the construction of such capacity. Existing Capacity additionally includes capacity that is still within such initial terms where Shipper Agreements pertaining to the capacity have been terminated by the pipeline. Existing Capacity additionally includes unsubscribed capacity created as part of a pipeline expansion project.
- 1.37 Expansion Capacity. The term "Expansion Capacity" shall mean capacity that is added to the pipeline system as part of a system expansion project where such capacity is still within the initial contract term(s) of the Agreement(s) that originally supported the construction of such capacity. Expansion Capacity includes permanent releases of capacity that are within the initial term of an original Shipper's contract.
- 1.38 Long-Term Firm Capacity. The term "Long-Term Firm Capacity" shall mean firm capacity that is provided on GTN's system for periods of 365 days or longer, but which may also be sold as Short-Term Firm Capacity. Unsubscribed Long-Term Firm Capacity is posted under the capacity option in the info postings menu on GTN's website at [www.gastransmissionnw.com/info post/](http://www.gastransmissionnw.com/info post/).
- 1.39 Short-Term Firm Capacity. The term "Short-Term Firm Capacity" shall mean firm capacity that is provided on GTN's system for periods of time that are less than 365 days. Unsubscribed Short-Term Firm Capacity is posted under the capacity option in the info postings menu on GTN's website at [www.gastransmissionnw.com/info post/](http://www.gastransmissionnw.com/info post/).

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

1.    DEFINITIONS (Continued)

- 1.40    Operationally Available Capacity.    The term "Operationally Available Capacity" shall mean capacity that is available on a day-to-day basis and is equal to the physical capacities of individual receipt and delivery points less amounts scheduled to be received/delivered at such points.    Operationally Available Capacity is posted under the capacity option in the info postings menu on GTN's website at [www.gastransmissionnw.com/info post/](http://www.gastransmissionnw.com/info%20post/).



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

2. EQUALITY OF TRANSPORTATION SERVICE

GTN hereby states that the terms and conditions of service for all unbundled sales and transportation services provided in GTN's FERC Gas Tariff, Third Revised Volume No. 1-A, are provided on a basis that is equal in quality for all Shippers. All Shippers can access all sellers of gas and receive the same quality of service on GTN whether their gas supplies are purchased from GTN or any other seller. Furthermore, no preference is accorded to any affiliate of GTN for sales and transportation services provided by GTN.

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

3. QUALITY OF GAS

3.1 Quality Standards: The gas which Shipper delivers hereunder to GTN for transport (and the gas which GTN transports hereunder for Shipper) shall be merchantable gas at all times complying with the following quality requirements:

- (a) Heating Value: The gas shall have a gross heating value of not less than nine hundred ninety-five (995) Btus per standard cubic foot on a dry basis, but with the consent of Shipper, GTN may deliver gas at a lower gross heating value.
- (b) Freedom from Objectionable Matter: The gas:
  - (1) Shall be commercially free from sand, dust, gums, crude oil, impurities and other objectionable substances which may be injurious to pipelines or which may interfere with its transmission through pipelines or its commercial utilization.
  - (2) Shall not have a hydrocarbon dew-point in excess of fifteen degrees (15m) Fahrenheit at pressures up to eight hundred (800) psig.
  - (3) Shall not contain more than one-quarter (1/4) grain of hydrogen sulfide per one hundred (100) standard cubic feet.
  - (4) Shall not contain more than ten(10) grains of total sulphur per one hundred (100) standard cubic feet.
  - (5) Shall not contain more than two percent (2%) by volume of carbon dioxide.
  - (6) Shall not contain more than four (4) pounds of water vapor per one million (1,000,000) standard cubic feet.
  - (7) Shall not exceed one hundred ten degrees (110m) Fahrenheit in temperature at the point of measurement.
  - (8) Shall be as free of oxygen as it can be kept through the exercise of all reasonable precautions, and shall not in any event contain more than four-tenths of one percent (0.4%) by volume of oxygen.

(Continued)

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**First Revised Sheet No. 111** First Revised Sheet No. 111 : Effective

Superseding: Original Sheet No. 111

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

3. QUALITY OF GAS (Continued)

3.2 Quality Tests:

- (a) The quality specifications of the gas received by GTN hereunder shall be determined by tests which GTN shall cause to be made at the International Boundary or such other locations on GTN's system if required accordance with this Paragraph 3.2.
- (b) The gross heating value of gas delivered hereunder shall be determined from read-outs of continuously operating measuring instruments. The method shall consist of one or more of the following:
  - (1) calorimeter
  - (2) gas chromatograph
  - (3) any other method mutually agreed upon by the parties.

Measurement of gross heating value with the calorimeters shall comply with the standards set forth in the American Society for Testing and Materials' ASTM D 1826. Analysis of gas with gas chromatograph shall comply with the standards set forth in ASTM D 1945. Calculation of the gross heating value from compositional analysis by gas chromatography shall comply with the standards set forth in ASTM D 3588.

GTN or its agent shall calibrate and maintain the gross heating value measurement device at intervals as agreed upon by GTN and Shipper. Shipper shall have access to GTN's devices and shall be allowed to inspect the services and all charts or other records of measurement at any reasonable time.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

3. QUALITY OF GAS (Continued)

3.2 Quality Tests (Continued)

- (c) Tests shall be made to determine the total sulphur, hydrogen sulfide, carbon dioxide and oxygen content of the gas, by approved standard methods in general use in the gas industry, and to determine the hydrocarbon dew-point and water vapor content of such gas by methods satisfactory to the parties. Tests shall be made frequently enough to ensure that the gas is conforming continuously to the quality requirements. Shipper shall have the right to require GTN to have remedied any deficiency in quality of the gas and, in the event such deficiency is not remedied, the right, in addition to all other remedies available to it by law, to refuse to accept such deficient gas until such deficiency is remedied.

4. MEASURING EQUIPMENT

- 4.1 Installation: Unless GTN and Shippers agree otherwise, all gas volume measuring equipment, devices and materials at the point(s) of receipt and/or delivery shall be furnished and installed by GTN at Shipper's expense including the tax-on-tax effect. All such equipment, devices and materials shall be owned, maintained and operated by GTN. Shipper may install and operate check measuring equipment provided it does not interfere with the use of GTN's equipment.
- 4.2 Testing Meter Equipment: The accuracy of either GTN's or Shippers measuring equipment shall be verified by test, using means and methods acceptable to the other party, at intervals mutually agreed upon, and at other times upon request. Notice of the time and nature of each test shall be given by the entity conducting the test to the other entity sufficiently in advance to permit convenient arrangement for the presence of the representative of the other entity. If, after notice, the other entity fails to have a representative present, the results of the test shall nevertheless be considered accurate until the next test. If any of the measuring equipment is found to be registering inaccurately in any percentage, it shall be adjusted at once to read as accurately as possible. All tests of such measuring equipment shall be made at the expense of the entity conducting the same, except that the other entity shall bear the expense of tests made at its request if the inaccuracy is found to be two percent (2%) or less.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

4. MEASURING EQUIPMENT (Continued)

4.3 Correction and Adjustment: If at any time any of the measuring equipment is registering inaccurately by an amount exceeding two percent (2%) at a reading corresponding to the average hourly rate of flow, the previous readings of such equipment shall be corrected to zero error for any period definitely known or agreed upon, or if not so known or agreed upon, the lesser of one-half (1/2) of the elapsed time since the last test or six months from the production month with a three-month rebuttal period, provided, however, that this limitation shall not apply in the case of a deliberate omission or misrepresentation or mutual mistake of fact. The parties' other statutory or contractual rights shall not otherwise be diminished by this limitation. If the measuring equipment is out-of-service, the volume of gas delivered during such period shall be determined:

- (a) By using the data recorded by any check measuring equipment accurately registering; or
- (b) If such check measuring equipment is not registering accurately but the percentage of error is ascertainable by a calibration test, by using the data recorded, corrected to zero error; or
- (c) If neither of the methods provided in (a) and (b) above can be used, by estimating the quantity delivered, by reference to deliveries under similar conditions during a period when the equipment was registering accurately.

No correction shall be made in the recorded volumes of gas delivered hereunder for measuring equipment inaccuracies of two percent (2%) or less, and in no event shall inaccuracies less than 25 Mcf be considered for adjustment.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

5. MEASUREMENTS

5.1 Metering: The gas shall be metered by one or more orifice, turbine, ultrasonic, displacement or other-type meters, at the discretion of GTN. All meters shall be installed and maintained, and volumes shall be measured, in accordance with applicable A.G.A. standards for the meter in question.

5.2 Specific Gravity: The specific gravity of the gas delivered hereunder shall be determined from the read-outs of continuously operating measuring instruments. The method shall consist of one of the following:

- (a) gravitometer
- (b) gas chromatography
- (c) other instruments acceptable to both parties

Analysis of chromatograph shall comply with the standards set forth in ASTM D 1945. Calculation of the specific gravity from compositional analysis by gas chromatography shall comply with the standards set forth in ASTM D 3588. Measurement of the specific gravity with a gravitometer shall comply with the standards set forth in ASTM D 1070.

5.3 Flowing Temperature: Flowing gas temperature shall be continuously measured and used in flow calculations.

(Continued)



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**Third Revised Sheet No. 116** Third Revised Sheet No. 116

Superseding: Second Revised Sheet No. 116

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

6. INSPECTION OF EQUIPMENT AND RECORDS

- 6.1 Inspection of Equipment and Data: GTN and Shipper shall have the right to inspect equipment installed or furnished by the other, and the charts and other measurement or test data of the other, at all times during business hours; but the reading, calibration and adjustment of such equipment and changing of charts shall be done only by the entity installing or furnishing same. Unless GTN and Shipper otherwise agree, each shall preserve all original test data, charts and other similar records in such party's possession, for a period of at least six (6) years.
- 6.2 Information for Billing: When information necessary for billing by GTN is in the control of Shipper, Shipper shall furnish such information, estimated if actual is not available, to GTN on or before the third (3rd) working day of the month following the month transportation service was rendered. If shipper furnishes estimated information, the actual information shall be furnished to GTN on or before the fifth (5th) working day of the month following the month transportation service was rendered.
- 6.3 Verification of Computations: GTN and Shipper shall have the right to examine at reasonable times the books, records and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made pursuant to these Transportation General Terms and Conditions and to the rate schedules to which they apply, within twelve (12) months of any such statement, charge or computation. The time limitation for disputing allocations shall be six (6) months from the date of initial month-end allocation with a three-month rebuttal period, provided, however, that this limitation shall not apply in the case of a deliberate omission or misrepresentation or mutual mistake of fact, and shall not diminish the parties' other statutory or contractual rights. In accordance with NAESB Standard 2.3.11, Version 1.8, a meter adjustment or correction becomes a prior period adjustment after the fifth (5th) business day following the Business Month. Any measurement of prior period adjustments are taken back to the production month. These provisions are in accordance with NAESB Standard 2.3.7, Version 1.8, which establishes a cutoff for the closing of measurement of 5 business days after business month.

(Continued)

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**Fifth Revised Sheet No. 117** Fifth Revised Sheet No. 117

Superseding: Fourth Revised Sheet No. 117

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

6. INSPECTION OF EQUIPMENT AND RECORDS (Continued)

6.3 Verification of Computations: (Continued)

In accordance with NAESB Standard 2.3.14, Version 1.8, measurement data corrections should be processed within 6 months of the production month with a 3-month rebuttal period. However, it is recognized that this latter standard shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not be diminished by this standard.

7. BILLING

7.1 Billing under all Rate Schedules: On or before the ninth (9th) business day of each month, GTN shall render a bill to each Shipper under all applicable Rate Schedules for the service(s) rendered during the preceding month, which is in accordance with NAESB Standard 3.3.14, Version 1.8, which provides that the imbalance statement should be rendered prior to or with the invoice, and the transportation invoice should be prepared on or before the 9th business day after the end of the production month. Rendered is defined as postmarked, time-stamped, and delivered to the designated site.

7.2 Third Party Charges. Shipper shall be responsible for delivering all gas to, and accepting redelivery of all Gas from, Transporter's system, and shall be free to contract with third party(ies) upstream or downstream of Transporter's system to achieve such result. If Shipper requests, and Transporter agrees, Transporter will contract with third party(ies) for the benefit of Shipper and Shipper shall pay Transporter an amount equal to the charges Transporter is obligated to pay such third party(ies), which charges may include, but are not limited to, reservation and/or usage charges and surcharges, fuel charges, compression fees, balancing or storage fees, measurement fees, processing fees, and/or facility charges. Such charges shall be set forth as separate items on billings rendered to Shipper.

7.3 Invoice Consolidation Fee. GTN may, upon mutual agreement with Shipper, enter into agency agreements on third-party pipelines that will allow GTN to receive third-party pipeline invoices billed to Shipper and consolidate such invoices with GTN's monthly invoice to Shipper. An invoice consolidation fee shall be negotiated between GTN and Shipper for such service. GTN will provide this service on a non-discriminatory basis.

(Continued)

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**Fourth Revised Sheet No. 118** Fourth Revised Sheet No. 118

Superseding: Third Revised Sheet No. 118

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

8. PAYMENT

- 8.1 Payment under all Rate Schedules: On or before the tenth day following the date GTN's bill is rendered in accordance with Paragraph 7.1 of these General Terms and Conditions, each Shipper under all applicable Rate Schedules shall pay to or upon the order of GTN in lawful money of the United States at GTN's office in Houston, Texas, the amount of the bill rendered by GTN. In accordance with NAESB Standard 3.3.17, Version 1.8, party making payment should submit supporting documentation; party receiving payment should apply payment per supporting documentation provided by the paying party; and if payment differs from invoiced amount, remittance detail should be provided with the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment due date. Shipper shall identify invoice numbers on all payments. In the event a Shipper disputes any portion of the invoice, Shipper shall pay that portion of the invoice not in dispute and provide supporting documentation identifying the basis for the dispute.
- 8.2 Interest on Unpaid Amounts: Should Shipper fail to pay the amount of any bill rendered by GTN when such amount is due, interest thereon shall accrue from the due date until paid at the rate of interest effective from time to time under 18 CFR Section 154.501.
- 8.3 Remedies for Failure to Pay: If a Shipper's failure to pay the undisputed portion of an invoice continues for thirty (30) days after payment is due, GTN, in addition to any other remedy it may have, may suspend further delivery of gas until such amount is paid.

If Shipper's failure to pay extends beyond thirty (30) days after payment is due, in addition to suspending service under Shipper's Transportation Service Agreement(s), Transporter shall have the right to terminate service. To the extent that Transporter seeks to terminate a Shipper's Transportation Service Agreement, Transporter will provide written notice to Shipper, the Commission, and any Replacement Shipper(s) that has obtained temporary release capacity from Shipper, that if Shipper fails to make payment within fifteen (15) days, Transporter will terminate Shipper's Transportation Service Agreement(s) and may exercise any other remedy available to Transporter hereunder, at law or in equity.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

8. PAYMENT (Continued)

8.3 Remedies for Failure to Pay: (Continued)

However, if Shipper, in good faith, disputes the amount of any bill or part thereof by providing written notice of its dispute including documentation identifying the basis of the dispute and 1) promptly pays to Transporter the undisputed amount, and 2) furnishes to Transporter a good and sufficient letter of credit in an amount and with surety satisfactory to Transporter, or provides other assurance acceptable to Transporter guaranteeing payment to Transporter of the amount ultimately found due upon the bill after a final determination that may be reached either by agreement or by judgement of the courts, as may be the case, then Transporter shall not be entitled to automatically suspend or terminate service under the Transportation Service Agreement(s) unless and until a default is made in the conditions of the letter of credit or other assurance; provided further that should Shipper prevail on the dispute, Transporter shall reimburse Shipper up to the reasonable and customary costs of the letter of credit or other assurance provided.

8.4 Late Billing: If presentation of a bill by GTN is delayed after the date specified in Paragraph 7.1 hereof, then the time for payment shall be extended correspondingly unless Shipper is responsible for such delay.

8.5 Adjustment of Billing Error: In accordance with NAESB Standard 3.3.15, Version 1.8, 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. This standard 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 this standard.

9. NOTICE OF CHANGES IN OPERATING CONDITIONS

GTN and Shipper shall each ensure that the other is notified from time to time as necessary of expected changes in the rates of delivery or receipt of gas, or in the pressures or other operating conditions, and the reason for such expected changes, so that they may be accommodated when they occur.

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Original Sheet No. 120 Original Sheet No. 120 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

10. FORCE MAJEURE

- 10.1 If either party shall fail to perform any obligation imposed upon it by these Transportation General Terms and Conditions or by an executed Transportation Service Agreement, and such failure shall be caused, or materially contributed to, by force majeure which means any acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemies, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, floods, storms, fires, washouts, extreme cold or freezing weather, arrests and restraints of rulers and people, civil disturbances, explosions, breakage of or accident to machinery or lines of pipe, hydrate obstructions of lines of pipe, inability to obtain pipe, materials or equipment, legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any acts, omissions or causes whether of the kind herein enumerated or otherwise not reasonably within the control of the party invoking this paragraph and which by the exercise of due diligence such party could not have prevented, the necessity for making repairs to, replacing, or reconditioning machinery, equipment, or pipelines not resulting from the fault or negligence of the party invoking this paragraph, such failure shall be deemed not to be a breach of the obligation of such party, but such party shall use reasonable diligence to put itself in a position to carry out its obligations. Nothing contained herein shall be construed to require either party to settle a strike or lockout by acceding against its judgment to the demands of the opposing parties.
- 10.2 No such cause as described in Paragraph 10.1 affecting the performance of either party shall continue to relieve such party from its obligation after the expiration of a reasonable period of time within which by the use of due diligence such party could have remedied the situation preventing its performance, nor shall any such cause relieve either party from any obligation unless such party shall give notice thereof in writing to the other party with reasonable promptness; and like notice shall be given upon termination of such cause.
- 10.3 No cause whatsoever, including without limitation the failure of GTN to perform including the causes specified in Paragraph 10.1, shall relieve Shipper from its obligations to make payments due, including the payments of reservation charges for the duration of such cause except as provided for in Paragraphs 3.10 and 3.11 of Rate Schedule FTS-1.

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Original Sheet No. 121 Original Sheet No. 121 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

11. WARRANTY OF ELIGIBILITY FOR TRANSPORTATION

Any Shipper transporting gas on the GTN system under this FERC Gas Tariff, Third Revised Volume No. 1-A warrants for itself, its successors and assigns, that it will have at the time of delivery of the gas to GTN hereunder good title to such gas and that all gas delivered to GTN for transportation hereunder is eligible for the requested transportation in interstate commerce under applicable rules, regulations or orders of the FERC, or other agency having jurisdiction. Shipper will indemnify GTN and save it harmless from all suits, actions, damages, costs, losses, expenses (including reasonable attorney fees) costs connected with regulatory proceedings, arising from breach of this warranty.

12. POSSESSION OF GAS AND RESPONSIBILITY

GTN shall be deemed to be in control and possession of, and responsible for, all gas delivered from the time that such gas is received by it at the point of receipt to the time that it is delivered at the point of delivery.

13. INDEMNIFICATION

Shipper agrees to indemnify and hold harmless GTN, its officers, agents, employees and contractors against any liability, loss or damage whatsoever occurring in connection with or relating in any way to the executed Transportation Service Agreement, including costs and attorneys' fees, whether or not such liability, loss or damage results from any demand, claim, action, cause of action, or suit brought by Shipper or by any person, association or entity, public or private, that is not a party to the executed Transportation Service Agreement, where such liability, loss or damage is suffered by GTN, its officers, agents, employees or contractors as a direct or indirect result of any breach of the executed Transportation Service Agreement or sole or concurrent negligence or gross negligence or other tortious act(s) or commission(s) by Shipper, its officers, agents, employees or contractors.

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**Original Sheet No. 122** Original Sheet No. 122 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

14. ARBITRATION

Any arbitration provided for or agreed to by Shipper and GTN shall be conducted in accordance with the following procedures and principles: Upon the written demand of either GTN or Shipper and within ten (10) days from the date of such demand, each entity shall appoint an arbitrator and the two arbitrators so appointed shall promptly thereafter appoint a third. If either GTN or Shipper shall fail to appoint an arbitrator within ten (10) days from the date of such demand, then the arbitrator shall be appointed by a Superior Court of the State of California in accordance with the California Code of Civil Procedure. If the two arbitrators shall fail within ten (10) days from their appointment to agree upon and appoint the third arbitrator, then upon the application of either GTN or Shipper such third arbitrator shall be appointed by a Superior Court of the State of California in accordance with the California Code of Civil Procedure.

The arbitrators shall proceed immediately to hear and determine the matter in controversy. The award of the arbitrators, or a majority of them, shall be made within forty-five (45) days after the appointment of the third arbitrator, subject to any reasonable delay due to unforeseen circumstances. The award of the arbitrators shall be drawn up in writing and signed by the arbitrators, or a majority of them, and shall be final and binding on both GTN and Shipper, and GTN and Shipper shall abide by the award and perform the terms and conditions thereof. Unless otherwise determined by the arbitrators, the fees and expenses of the arbitrator named for each party shall be paid by that party and the fees and expenses of the third arbitrator shall be paid in equal proportion by both GTN and Shipper.

15. GOVERNMENTAL REGULATIONS

These Transportation General Terms and Conditions, the rate schedules to which they apply, and any executed Transportation Service Agreement are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.



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Superseding: First Revised Sheet No. 123

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

16. MISCELLANEOUS PROVISION

- 16.1 Waiver of Default: No waiver by either GTN or Shipper of any default by the other in the performance of any provisions of an executed Transportation Service Agreement shall operate as a waiver of any continuing or future default, whether of a like or different character.
- 16.2 Assignability: An executed Transportation Service Agreement shall bind and inure to the respective successors and assignees of GTN and Shipper thereto, but no assignment shall release either party thereto from such party's obligations without the written consent of the other party, which consent shall not be unreasonably withheld; provided, however, nothing contained herein shall give Shipper the right to reassign or broker its right to ship the quantities of gas specified in the Transportation Service Agreement on GTN's system to others. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.
- 16.3 Effect of Headings: The headings used throughout these Transportation General Terms and Conditions, the rate schedules to which they apply, and the executed Transportation Service Agreements are inserted for reference purposes only and are not to be considered or taken into account in construing the terms and provisions of any paragraph nor to be deemed in any way to qualify, modify or explain the effects of any such terms or provisions.

17. TRANSPORTATION SERVICE AGREEMENT

- 17.1 Form: Shipper shall enter into a contract with GTN utilizing GTN's appropriate standard form of Transportation Service Agreement.
- 17.2 Term: The term of the Transportation Service Agreement shall be agreed upon between Shipper and GTN at the time of the execution thereof.
- 17.3 Evergreen Provision: GTN and Shipper may mutually agree to include an evergreen provision in Shipper's Firm Transportation Service Agreement that will allow the agreement to continue in effect beyond its primary term. GTN will make evergreen provisions available to shippers on a not unduly discriminatory basis.

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*FERC Docket: RP04- 23-000*

**Sheet No. 124** Sheet No. 124 :    Effective

Reserved For Future Use

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**Second Revised Sheet No. 125** Second Revised Sheet No. 125

Superseding: First Revised Sheet No. 125

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS

18.0 Requests For Service:

- (A) A prospective shipper desiring service on GTN's system must fully complete the Service Request Form set out on GTN's Internet website. Alternatively, a prospective shipper may request a hard-copy of the Service Request Form by contacting GTN at the following location:

Gas Transmission Northwest Corporation  
Commercial Services  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761

- (B) If Shipper requests service under Section 311(a), Shipper must provide a certification that the service qualifies under 18 C.F.R. § 284.102. To enable GTN to verify that the requested transportation service will qualify under 18 C.F.R. § 284.102, the certification must provide facts showing that:

- (a) the "On Behalf Of" party will have physical custody of and transport the natural gas at some point; or
- (b) the "On Behalf Of" party will hold title to the natural gas at some point, which may occur prior to, during, or after the time that the gas is transported by GTN, for a purpose related to the "On Behalf Of" party's status and function as an intrastate pipeline or its status and function as a local distribution company; or
- (c) the gas will be delivered to a customer that is either located in the "On Behalf Of" party's service area, if the "On Behalf Of" party is a local distribution company, or is physically able to receive direct deliveries of gas from the "On Behalf Of" party, if the "On Behalf Of" party is an interstate pipeline, and that "On Behalf Of" party has certified that it is on its behalf that GTN will be providing the requested transportation service.

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Original Sheet No. 126 Original Sheet No. 126 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18 OPERATING PROVISIONS (Continued)

18.0 Requests For Service (Continued)

- (C) Submission of this Service Request Form will allow GTN to begin processing Shipper's Request For Service, but does not guarantee service will be available. GTN will not provide service until Shipper has executed a service contract. Shipper also shall be required to meet other provisions of this FERC Gas Tariff, including the credit requirements set out in Section 18.3 of this Tariff. Standard form service contracts for each service offered by GTN are set out in the Form of Service Agreement portion of this Tariff.

Shipper shall not be entitled to receive transportation service under this FERC Gas Tariff, Third Revised Volume No. 1-A if Shipper is not current in its payments to GTN for any charge, rate or fee authorized by the Commission for transportation service; provided, however, if the amount not current pertains to a bona fide dispute, including but not limited to force majeure claims relating to this FERC Gas Tariff, Shipper shall be entitled to receive or continue to receive transportation service if Shipper posts a bond satisfactory to GTN to cover the payment due GTN.

18.1 Firm Service

The provisions of this Paragraph 18.1 shall be applicable to firm transportation service under Rate Schedules FTS-1 and LFS-1 contained in this Third Revised Volume No. 1-A. Firm transportation service under this Third Revised Volume No. 1-A shall be provided when, and to the extent that, GTN determines that firm capacity is available on GTN's existing facilities. GTN shall not be required to provide firm transportation service in the event firm capacity is unavailable or to construct new facilities to provide firm service.

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**Second Revised Sheet No. 127** Second Revised Sheet No. 127 : Effective

Superseding: First Revised Sheet No. 127

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

For capacity that becomes available other than through the circumstances identified in Paragraphs 28 and 33, requests for firm capacity shall be accommodated in the following manner and subject to the following conditions and limitations:

- (a) In order to be eligible for firm capacity, a party requesting service (requestor) must be deemed credit-worthy per Paragraph 18.3 and submit a valid request in accordance with the provisions herein.
- (b) Future Sales of Capacity: GTN may sell firm capacity with service commencement dates more than one year in the future, when such capacity is either available unsubscribed capacity or capacity that will become available and is not subject to a right of first refusal or unilateral evergreen provision, by either conducting an open season or by selling such capacity on a pre-arranged basis.

If GTN conducts an open season, it will post notice of the open season on its Internet website for at least five (5) business days to afford all potential shippers an opportunity to acquire the capacity. Any potential shippers wishing to acquire capacity may request an immediate or future commencement date (if the capacity is currently available) or a future commencement date (if the capacity will become available in the future). GTN will award capacity on an NPV basis consistent with Paragraph 18.1(e) of these General Terms and Conditions.

If GTN sells capacity on a pre-arranged basis, GTN will post the terms of the pre-arranged transaction and other parties will have an opportunity to bid on the capacity. At the time GTN enters into a pre-arranged service agreement, GTN will post a notice on its Internet website indicating that the pre-arranged capacity will be subject to an open bidding process within three (3) business days, even if such capacity has already been subject to an open season bidding process and is currently posted as available capacity. If another party submits a bid with a higher incremental economic value, the pre-arranged Shipper will have a one-time right to match the higher bid in order to retain the capacity. If the

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(b) Future Sales of Capacity: (Continued)

pre-arranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the highest creditworthy bidder in accordance with Paragraph 18.1(e). If there is an open season ongoing for certain capacity, GTN will not enter into a pre-arranged deal for that capacity during the open season.

GTN will separately identify on its Internet website all capacity that is anticipated to become available and is not subject to a right of first refusal or unilateral evergreen provision. GTN will not enter into any pre-arranged deals for capacity that has not previously been posted on its Internet website.

(Continued)

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Superseding: First Revised Sheet No. 128

TRANSPORTATION GENERAL TERMS AND CONDITIONS

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(b) Future Sales of Capacity: (Continued)

Capacity that is reserved pursuant to this Paragraph 18.1(b) will be made available for transportation service on an interim basis up to the commencement date of the service agreement for such capacity. For such interim service agreements, GTN reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

(c) Available Capacity:

GTN will post available capacity on its Internet website. A requestor that submits a valid request may submit a bid via the website for the available capacity subsequent to GTN's posting of such capacity on the website. The Bid Period will be a minimum of 1 business day for capacity available for up to 1 month; a minimum of 3 business days for capacity available for greater than one month but less than one year; and a minimum of 5 business days for capacity available for one year or more. All bids not withdrawn prior to the close of the Bidding Period shall be binding. At the end of the Bidding Period, GTN will evaluate the bids and determine the bid(s) having the greatest economic value as determined in Paragraph 18.1(e).

If GTN determines that no bids satisfy the open season criteria, GTN will post the capacity on its website as available unsubscribed capacity. GTN will award such capacity on a first-come, first-served basis to shippers that offer the maximum recourse rate or an acceptable discounted or negotiated rate.

(d) After the close of the Bidding Period, GTN may tender a Service Agreement for execution to the requestor(s) submitting the bid(s) having the greatest economic value for the capacity available, subject to the provisions of Paragraph 18.1(f).

(Continued)

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Superseding: Original Sheet No. 129

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids

Unless otherwise specified in its open season posting, the bid(s) with the greatest economic value will be the bid(s) with the highest net present value ("NPV") based on (1) the reservation charge and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise that requestor(s) would pay at the rates the requestor(s) has bid, (2) the term of service specified in the request, as limited by Shipper's credit quality, and (3) Shipper's probability of default for the applicable bid term. If the economic values of separate bids are equal, then service shall be offered to such requestors on a pro-rata basis. The NPV is the discounted cash flow of the bid according to the following formula, net of revenues lost or affected by the requests for service:

$$\text{Present Value per} = P * R * (1-PD) * \frac{(1+i)^n - 1}{i(1+i)}$$

where: P = percent of the rate or charge that the Shipper is willing to pay.

R = Rate or charge calculated as: The applicable maximum authorized reservation charge(s) per Dth in effect at the time of the bid for service.

PD = Shipper's probability of default for the applicable bid term.

i = FERC's annual interest rate divided by 12.

n = number of periods for which the bidder wishes to contract.

The NPV formula will be affected by the rate requested, the applicable bid term, and Shipper's probability of default. In the event GTN intends to entertain bids for service under index-based or other Negotiated Rate Formulae, the future value of which cannot be determined at the time of the bidding, GTN

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids

Unless otherwise specified in its open season posting, the bid(s) with the greatest economic value will be the bid(s) with the highest net present value ("NPV") based on (1) the reservation charge and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise that requestor(s) would pay at the rates the requestor(s) has bid, (2) the term of service specified in the request, and (3) Shipper's probability of default for the applicable bid term. If the economic values of separate bids are equal, then service shall be offered to such requestors on a pro-rata basis. The NPV is the discounted cash flow of the bid according to the following formula, net of revenues lost or affected by the requests for service:

$$\text{Present Value per} = P * R * (1-PD) * \frac{(1+i)^n - 1}{i(1+i)}$$

where: P = percent of the rate or charge that the Shipper is willing to pay.

R = Rate or charge calculated as: The applicable maximum authorized reservation charge(s) per Dth in effect at the time of the bid for service.

PD = Shipper's probability of default for the applicable bid term.

i = FERC's annual interest rate divided by 12.

n = number of periods for which the bidder wishes to contract.

The NPV formula will be affected by the rate requested, the applicable bid term, and Shipper's probability of default. In the event GTN intends to entertain bids for service under index-based or other Negotiated Rate Formulae, the future value of which cannot be determined at the time of the bidding, GTN

(Continued)

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FERC Docket: RP06-407-008

**Substitute Second Revised Sheet No. 129** Substitute Second Revised Sheet No. 129 : Pending

Superseding: First Revised Sheet No. 129

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids

Unless otherwise specified in its open season posting, when evaluating bids for long-term firm capacity with terms of less than three years, the bid(s) with the greatest economic value will be the bid(s) with the highest net present value ("NPV") based on (1) the reservation charge and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise that requestor(s) would pay at the rates the requestor(s) has bid, and (2) the term of service specified in the request. If the economic values of separate bids are equal, then service shall be offered to such requestors on a pro-rata basis.

The NPV is the discounted cash flow of the bid according to the following formula, net of revenues lost or affected by the requests for service:

$$\text{Present Value per} = P * R * \frac{(1 + i)^n - 1}{i(1 + i)^n}$$

where: P = percent of the rate or charge that the Shipper is willing to pay.

R = Rate or charge calculated as: The applicable maximum authorized reservation charge(s) per Dth in effect at the time of the bid for service.

i = FERC's annual interest rate divided by 12.

n = number of periods for which the bidder wishes to contract.

The NPV formula will be affected by the term and rate requested. In the event GTN intends to entertain bids for service under index-based or other Negotiated Rate Formulae, the future value of which cannot be determined at the time of the bidding, GTN shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

(Continued)

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Original Sheet No. 129A Original Sheet No. 129A : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids (Continued)

Unless otherwise specified in its open season posting, when evaluating bids for long-term firm capacity with terms of three years or more, the bid(s) with the highest net present value ("NPV") will additionally take into account a third factor: Shipper's probability of default for the applicable bid term.

The NPV is the discounted cash flow of the bid according to the following formula, net of revenues lost or affected by the requests for service:

$$\text{Present Value per} = P * R * (1-PD) * \frac{(1+i)^n - 1}{i(1+i)^n}$$

where: P = percent of the rate or charge that the Shipper is willing to pay.

R = Rate or charge calculated as: The applicable maximum authorized reservation charge(s) per Dth in effect at the time of the bid for service.

PD = Shipper's probability of default for the applicable bid term.

i = FERC's annual interest rate divided by 12.

n = number of periods for which the bidder wishes to contract.

The NPV formula will be affected by the term and rate requested and Shipper's probability of default.

(Continued)

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**First Revised Sheet No. 130** First Revised Sheet No. 130 : Effective

Superseding: Original Sheet No. 130

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids (Continued)

shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

As part of an open season posting, GTN will provide a probability of default table and will identify any limits, based upon credit rating, to be placed on bid lengths. The probability of default table will define a bidder's probability of default based upon 1) the applicable bid term and 2) the credit rating of the shipper. Shipper credit ratings will be determined consistent with Paragraph 18.3 of these General Terms and Conditions.

The specific bid evaluation methodology to be used, including, where appropriate, the data to be used for evaluation of Negotiated Rate Formula bids, will be included as part of GTN's open season posting under Paragraph 18.1(c) with sufficient specificity to allow a prospective shipper to calculate the value of its bid and duplicate GTN's results.

Irrespective of whether a bid(s) has the highest NPV of the bids received, GTN may reject bids for service that (i) may detrimentally impact the operational integrity of Transporter's system; (ii) do not satisfy all the terms of the specified posting; or (iii) contain terms and conditions other than those set forth in GTN's FERC Gas Tariff.

If the NPV of any Negotiated Rate revenues would exceed the NPV of the revenue stream produced by paying the Maximum Rate over the same period of time, then the Shipper bidding the Negotiated Rate shall be considered to be paying the Maximum Rate for purposes of determining the bid with the greatest economic value.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids (Continued)

shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

As part of an open season posting, GTN will provide a probability of default table. GTN will use Standard & Poor's most recent fifteen-year "Cumulative Average Default Rates By Rating Modifier" table, as extrapolated to reflect the maximum bid term to be used for evaluation purposes, to quantify Shipper's probability of default. The probability of default table will define a bidder's probability of default based upon 1) the applicable bid term and 2) the credit rating of the shipper. In order to increase the NPV of its bid, a Shipper may elect to post additional collateral in one-year increments, thereby reducing, by a like number of years, the time horizon (years) used to define Shipper's probability of default. Shipper credit ratings will be determined consistent with Paragraph 18.3 of these General Terms and Conditions.

The specific bid evaluation methodology to be used, including, where appropriate, the data to be used for evaluation of Negotiated Rate Formula bids, will be included as part of GTN's open season posting under Paragraph 18.1(c) with sufficient specificity to allow a prospective shipper to calculate the value of its bid and duplicate GTN's results.

Irrespective of whether a bid(s) has the highest NPV of the bids received, GTN may reject bids for service that (i) may detrimentally impact the operational integrity of Transporter's system; (ii) do not satisfy all the terms of the specified posting; or (iii) contain terms and conditions other than those set forth in GTN's FERC Gas Tariff.

If the NPV of any Negotiated Rate revenues would exceed the NPV of the revenue stream produced by paying the Maximum Rate over the same period of time, then the Shipper bidding the Negotiated Rate shall be considered to be paying the Maximum Rate for purposes of determining the bid with the greatest economic value.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

(e) Valuation of Bids (Continued)

As part of an open season posting, GTN will provide a probability of default table. GTN will use Standard & Poor's most recent fifteen-year "Cumulative Average Default Rates By Rating Modifier" table, as extrapolated to reflect the maximum bid term to be used for evaluation purposes, to quantify Shipper's probability of default. The probability of default table will define a bidder's probability of default based upon 1) the applicable bid term and 2) the credit rating of the shipper. In order to increase the NPV of its bid, a Shipper may elect to post additional collateral in one-year increments, thereby reducing, by a like number of years, the time horizon (years) used to define Shipper's probability of default. Shipper credit ratings will be determined consistent with Paragraph 18.3 of these General Terms and Conditions.

The specific bid evaluation methodology to be used, including, where appropriate, the data to be used for evaluation of Negotiated Rate Formula bids, will be included as part of GTN's open season posting under Paragraph 18.1(c) with sufficient specificity to allow a prospective shipper to calculate the value of its bid and duplicate GTN's results.

Irrespective of whether a bid(s) has the highest NPV of the bids received, GTN may reject bids for service that (i) may detrimentally impact the operational integrity of Transporter's system; (ii) do not satisfy all the terms of the specified posting; or (iii) contain terms and conditions other than those set forth in GTN's FERC Gas Tariff.

If the NPV of any Negotiated Rate revenues would exceed the NPV of the revenue stream produced by paying the Maximum Rate over the same period of time, then the Shipper bidding the Negotiated Rate shall be considered to be paying the Maximum Rate for purposes of determining the bid with the greatest economic value.

(Continued)

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Original Sheet No. 131 Original Sheet No. 131 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.1 Firm Service (Continued)

- (f) If GTN accepts the winning bid(s) and tenders a Service Agreement, requestor(s) shall complete and return the Service Agreement within thirty (30) days.
- (g) Except as provided in Paragraph 28, GTN shall not be obligated to tender or execute a Service Agreement for service at any rate less than the Maximum Rate set forth in the Statement of Effective Rates and Charges applicable to the service requested.
- (h) A Shipper receiving service under FTS-1 shall not lose its priority for purposes of Paragraph 19 by the renewal or extension of term of that service; provided, however, any renewal or extension must be pursuant to a rollover or evergreen provision of the Service Agreement. Shipper's preexisting priority shall not apply, however, to any increase in transportation quantity or new primary point of delivery.

18.2 Interruptible Service

The provisions of this Paragraph 18.2 shall be applicable to interruptible transportation service under Rate Schedule ITS-1 contained in this Third Revised Volume No. 1-A.

- (a) Interruptible transportation service under this Third Revised Volume No. 1-A shall be provided when, and to the extent that, capacity is available in GTN's existing facilities, which capacity is not subject to a prior claim under a pre-existing agreement pursuant to Rate Schedule FTS-1 or under another class of firm service.
- (b) In the event where natural gas tendered by Shipper to GTN at the receipt point(s) for transportation, or delivered by GTN to Shipper (or for Shipper's account) at the delivery point(s), is commingled with other natural gas at the time of measurement, the determination of deliveries applicable to Shipper shall be made in accordance with operating arrangements satisfactory to Shipper, GTN and any third party transporting to or from GTN's system.

(Continued)

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**Original Sheet No. 132** Original Sheet No. 132 :    Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.2 Interruptible Service (Continued)

- (c) GTN shall process requests for interruptible transportation service on a non-discriminatory basis. Available interruptible capacity shall be allocated by GTN first to the Shipper(s) paying the highest rate, followed by a pro-rata tie breaker, as provided for in Paragraph 19 of these General Terms and Conditions.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness

(A) Creditworthiness for Firm Transportation Service

- (1) GTN shall not be required to perform or to continue transportation service under this FERC Gas Tariff, Third Revised Volume 1-A, on behalf of any Shipper who, after GTN's request, fails to establish or confirm creditworthiness. If Shipper is found by GTN to be non-creditworthy, GTN will, upon request, inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

If Shipper's credit standing ceases to meet GTN's credit requirements during the period of service, then GTN has the right to require security as specified herein. Upon notification by GTN that Shipper no longer meets GTN's creditworthiness standards, Shipper must, within five (5) business days, pay for one month of service in advance to continue service. Shipper must, within thirty (30) days, provide an acceptable guarantee or either a three-month cash security deposit or letter of credit, consistent with GTN's creditworthiness standards for Existing Capacity shippers. For shippers utilizing Expansion Capacity on lateral facilities, the security that must be provided within thirty (30) days will not be greater than a shipper's pro rata share of the total facilities costs, and such security will be reduced over time in proportion to the shipper's contract term. If Shipper fails to provide one of the credit alternatives within these time periods, GTN may suspend service immediately (Shippers are not responsible for reservation charges after service is suspended) and may provide simultaneous written notice to Shipper, the Commission, and any replacement Shipper(s) that service will be terminated in thirty (30) days. GTN also may exercise any other remedy available to it hereunder, at law or in equity.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (continued)

(2) Determining Creditworthiness

A Shipper seeking new service shall initially provide financial statements, evidence of debt and/or credit ratings, and other such information as is reasonably requested by GTN to establish Shipper's qualification for service. Within three (3) business days, or such later date acceptable to GTN, an existing Shipper shall provide such information as is reasonably requested by GTN to confirm Shipper's qualification for service.

- (a) Creditworthiness must be evidenced by 1) a rating for unenhanced senior unsecured debt of at least BBB by Standard & Poor's, Baa2 by Moody's, or an equivalent rating as determined by GTN, and 2) a credit limit as defined in Section 18.3(G). In the event that a split rating occurs between rating agencies, GTN will rely upon the lower of the ratings. An equivalent rating may be obtained in one of two ways:

- (i) If Shipper's debt is not rated by a recognized debt rating service, Shipper may request an equivalent rating as determined by GTN, based on the financial rating methodology, criteria and ratios for the industry of the Shipper as published by the above rating agencies from time to time. In general, such equivalent rating will be based on the audited financial statements for the Shipper's two (2) most recent fiscal years, all interim reports, and any other relevant information.

- (ii) If Shipper's debt is not rated by a recognized debt rating service, Shipper may, at its own expense, obtain a private rating from a recognized debt rating service acceptable to GTN, or request that an independent accountant or financial advisor, mutually acceptable to GTN and the Shipper, prepare an equivalent evaluation based on the financial rating methodology, criteria, and ratios for the industry of the Shipper as published by the above rating agencies.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (continued)

(2) Determining Creditworthiness

A Shipper seeking new service shall initially provide financial statements, evidence of debt and/or credit ratings, and other such information as is reasonably requested by GTN to establish Shipper's qualification for service. Within three (3) business days, or such later date acceptable to GTN, an existing Shipper shall provide such information as is reasonably requested by GTN to confirm Shipper's qualification for service.

- (a) Creditworthiness must be evidenced by a rating for unenhanced senior unsecured debt of at least BBB by Standard & Poor's, Baa2 by Moody's, or an equivalent rating as determined by GTN. In the event that a split rating occurs between rating agencies, GTN will rely upon the lower of the ratings. An equivalent rating may be obtained in one of two ways:

- (i) If Shipper's debt is not rated by a recognized debt rating service, Shipper may request an equivalent rating as determined by GTN, based on the financial rating methodology, criteria and ratios for the industry of the Shipper as published by the above rating agencies from time to time. In general, such equivalent rating will be based on the audited financial statements for the Shipper's two (2) most recent fiscal years, all interim reports, and any other relevant information.
- (ii) If Shipper's debt is not rated by a recognized debt rating service, Shipper may, at its own expense, obtain a private rating from a recognized debt rating service acceptable to GTN, or request that an independent accountant or financial advisor, mutually acceptable to GTN and the Shipper, prepare an equivalent evaluation based on the financial rating methodology, criteria, and ratios for the industry of the Shipper as published by the above rating agencies.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (continued)

(2) Determining Creditworthiness

A Shipper seeking new service shall initially provide financial statements, evidence of debt and/or credit ratings, and other such information as is reasonably requested by GTN to establish Shipper's qualification for service. Within three (3) business days, or such later date acceptable to GTN, an existing Shipper shall provide such information as is reasonably requested by GTN to confirm Shipper's qualification for service.

(a) Creditworthiness must be evidenced by a rating for unenhanced senior unsecured debt of at least BBB by Standard & Poor's, Baa2 by Moody's, or an equivalent rating as determined by GTN. In the event that a split rating occurs between rating agencies, GTN will rely upon the lower of the ratings. An equivalent rating may be obtained in one of two ways:

(i) If Shipper's debt is not rated by a recognized debt rating service, Shipper may request an equivalent rating as determined by GTN, based on the financial rating methodology, criteria and ratios for the industry of the Shipper as published by the above rating agencies from time to time. In general, such equivalent rating will be based on the audited financial statements for the Shipper's two (2) most recent fiscal years, all interim reports, and any other relevant information.

(ii) If Shipper's debt is not rated by a recognized debt rating service, Shipper may, at its own expense, obtain a private rating from a recognized debt rating service acceptable to GTN, or request that an independent accountant or financial advisor, mutually acceptable to GTN and the Shipper, prepare an equivalent evaluation based on the financial rating methodology, criteria, and ratios for the industry of the Shipper as published by the above rating agencies.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (Continued)

- (b) Shipper will be deemed to be non-creditworthy if 1) it is rated below a BBB/Baa2 equivalent standard by any rating agency or if its credit limit is insufficient to cover Shipper's total contractual obligation, as described in Paragraph 18.3 (G) of these Transportation General Terms and Conditions of Service, or 2) if Shipper's credit limit as determined by GTN is insufficient to cover Shipper's total contractual obligation. GTN will inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

If Shipper does not establish or maintain creditworthiness as described above, Shipper has the option of receiving transportation service under this FERC Gas Tariff by providing to GTN a guarantee acceptable to GTN, collateral (i.e., cash or letter of credit), or security as described in (i) through (iv) below. GTN may not unreasonably prevent a shipper from later switching the type of credit alternative that it provides.

- (i) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to GTN and for the term of the Gas Transportation Agreement from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these Shippers, the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on GTN's Internet website. If during the term of service the guarantor does not meet the creditworthiness standards discussed above, then GTN may request additional alternatives as described in (i) through (iv) below.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (Continued)

- (b) Shipper will be deemed to be non-creditworthy if it is rated below a BBB/Baa2 equivalent standard by any rating agency or if its credit limit is insufficient to cover Shipper's total contractual obligation, as described in Paragraph 18.3(G) of these Transportation General Terms and Conditions of Service. GTN will set credit limits at 10% of a Shipper's Tangible Net Worth (defined as Shipper's total assets, less liabilities, less intangible assets, less off-balance sheet items). If Shipper's credit limit as determined by GTN is insufficient to cover Shipper's total contractual obligation, GTN will inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

If Shipper does not establish or maintain creditworthiness as described above, Shipper has the option of receiving transportation service under this FERC Gas Tariff by providing to GTN one of the following alternatives: a guarantee acceptable to GTN, collateral (i.e., cash or letter of credit), or security as described in (i) through (iv) below. GTN may deny subsequent requests to substitute credit assurances on a not unduly discriminatory basis and will provide Shipper with a written explanation of any denial of a request to substitute credit assurances.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (Continued)

- (b) Shipper will be deemed to be non-creditworthy if it is rated below a BBB/Baa2 equivalent standard by any rating agency or if its credit limit is insufficient to cover Shipper's total contractual obligation, as described in Paragraph 18.3(G) of these Transportation General Terms and Conditions of Service. GTN will set credit limits at 10% of a Shipper's Tangible Net Worth (defined as Shipper's total assets, less liabilities, less intangible assets, less off-balance sheet items). If Shipper's credit limit as determined by GTN is insufficient to cover Shipper's total contractual obligation, GTN will inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

If Shipper does not establish or maintain creditworthiness as described above, Shipper has the option of receiving transportation service under this FERC Gas Tariff by providing to GTN one of the following alternatives: a guarantee acceptable to GTN, collateral (i.e., cash or letter of credit), or security as described in (i) through (iv) below. GTN may deny subsequent requests to substitute credit assurances on a not unduly discriminatory basis and will provide Shipper with a written explanation of any denial of a request to substitute credit assurances.

(Continued)

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**Original Sheet No. 134A** Original Sheet No. 134A : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (b) (Continued)

- (i) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to GTN and for the term of the Gas Transportation Agreement from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these Shippers, the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on GTN's Internet website. If during the term of service the guarantor does not meet the creditworthiness standards discussed above, then GTN may request additional credit assurances as described in (i) through (iv) below if GTN agrees to release the original guarantor of all obligations at the time Shipper provides the additional assurances.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (b) (Continued)

- (i) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to GTN and for the term of the Gas Transportation Agreement from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these Shippers, the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on GTN's Internet website. If during the term of service the guarantor does not meet the creditworthiness standards discussed above, then GTN may request additional credit assurances as described in (i) through (iv) below if GTN agrees to release the original guarantor of all obligations at the time Shipper provides the additional assurances.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (b) (Continued)

- (ii) Cash Security Deposit: A Shipper may provide a cash security deposit for service via cleared check or wire transfer. For Existing Capacity, the deposit must be sufficient to cover up to the value of three months worth of reservation charges. For Expansion Capacity on lateral facilities, the pipeline will not require a deposit greater than Shipper's pro rata share of the total facilities costs, and such deposit will be reduced over time in proportion to Shipper's contract term, consistent with Paragraph 18.3(C) of these General Terms and Conditions. GTN will accrue interest on cash security deposits at the applicable monthly "Federal Funds (effective)" rate published in the Federal Reserve Statistical Report H.15. Interest will be paid by GTN on an annual basis each September 1 or at the time Shipper's deposit is returned due to either a return to creditworthiness by Shipper or the expiration of Shipper's Agreement(s).
- (iii) Letter of Credit: Shipper may post a Letter of Credit (LC) in a form acceptable to GTN. A form of LC is available on GTN's Internet website. For Existing Capacity, the LC must be sufficient to cover up to the value of three months worth of reservation charges. For Expansion Capacity on lateral facilities, the pipeline will not require an LC greater than Shipper's pro rata share of the total facilities costs, and such LC will be reduced over time in proportion to Shipper's contract term, consistent with Paragraph 18.3(C) of these General Terms and Conditions.
- (iv) Any other security mutually agreed upon by Shipper and GTN. Such other security shall be accepted on a nondiscriminatory basis.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(A) Creditworthiness for Firm Transportation Service (Continued)

(2) (Continued)

- (c) Within five (5) business days of a Shipper notifying GTN either in writing or by fax that it has returned to creditworthiness, as evidenced by a rating for unenhanced senior unsecured debt and consistent with Paragraph 18.3(A)(1)(a) herein, and provided that Shipper's credit limit is adequate to cover its contractual obligations, GTN will return, with any applicable interest, Shipper's security held by GTN along with reconciliations of interest calculations.

Upon the expiration of Shipper's Agreement(s), GTN will return, with any applicable interest, Shipper's security associated with undisputed invoice amounts within five (5) business days of Shipper paying its final invoice. Any remaining security will be returned with interest after resolving any and all disputed invoice amounts under the expired Agreement(s). GTN will provide Shipper with final billing reconciliations detailing interest calculations.

(B) Credit Standards for Capacity Release

- (1) Long Term Capacity Release: The standards for Firm Transportation Service apply. However, pursuant to Paragraph 28.3 of this FERC Gas Tariff, a Releasing Shipper has the option of waiving the creditworthiness requirements for temporary releases of capacity for as long as the Releasing Shipper maintains compliance with GTN's creditworthiness requirements.
- (2) Short Term Capacity Release: The standards for Firm Transportation Service apply. However, pursuant to Paragraph 28.3 of this FERC Gas Tariff, a Releasing Shipper has the option of waiving the creditworthiness requirements for temporary releases of capacity for as long as the Releasing Shipper maintains compliance with GTN's creditworthiness requirements.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(C) Security requirements for Expansion Capacity will be separately identified within the nondiscriminatory project requirements included as part of any open season for Expansion Capacity. The amount of security initially required for Expansion Capacity on lateral facilities will be determined by GTN and may be up to the cost of the facilities to be constructed ("Maximum Allowable Security Requirement or MASR"). Where new lateral facilities serve multiple shippers, an individual shipper's maximum security obligation will be for no more than its proportionate share of the MASR ("Shipper's Maximum Security Obligation or SMSO"). Subsequent to Expansion Capacity on lateral facilities being placed into service, the SMSO shall be reduced in proportion to contract term. Shipper's actual security requirement, as identified within the open season project requirements, may be equal to or less than the SMSO ("Shipper's Actual Security Obligation or SASO"). When the SMSO equals the SASO held by GTN, GTN shall thereafter return Shipper's security on either a monthly basis or as mutually agreed with Shipper consistent with the reduction in SMSO. GTN is only permitted to recover the cost of Expansion Capacity on lateral facilities once through either transportation rates or, in the event of shipper default, by means of the security provided through this provision.

(D) Creditworthiness for Interruptible Transportation Service

(1) GTN shall not be required to perform or to continue interruptible transportation service under this FERC Gas Tariff, Third Revised Volume No. 1-A, on behalf of any Shipper who, after GTN's request, fails to demonstrate creditworthiness. If Shipper is found by GTN to be non-creditworthy, GTN will, upon request, inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(1) (Continued)

If Shipper's credit standing ceases to meet GTN's credit requirements during the period of service, then GTN has the right to require security as specified herein. Upon notification by GTN that Shipper no longer meets GTN's creditworthiness standards, Shipper must, within five (5) business days, pay for one month of service in advance to continue service. Shipper must, within thirty (30) days, provide an acceptable guarantee or either a three-month cash security deposit or letter of credit, consistent with GTN's creditworthiness standards. If Shipper fails to provide the required security within these time periods, GTN may suspend service immediately and may provide simultaneous written notice to Shipper and the Commission that service will be terminated in thirty (30) days. GTN also may exercise any other remedy available to it hereunder, at law or in equity.

(2) Determining Creditworthiness

A Shipper seeking new service shall initially provide financial statements, evidence of debt and/or credit ratings, and other such information as is reasonably requested by GTN to establish Shipper's qualification for service. Within three (3) business days, or such later date acceptable to GTN, an existing Shipper shall provide such information as is reasonably requested by GTN to confirm Shipper's qualification for service.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(2) (Continued)

Shipper's creditworthiness shall be determined by providing proof of one of the items listed below:

- (a) A rating for unenhanced senior unsecured debt of at least BB+ by Standard & Poor's or Baa1 by Moody's. In the event that a split rating occurs between rating agencies, GTN will rely upon the lower of the ratings.
  - (b) Audited financial statements for itself, or for its parent company if it is a subsidiary that is consolidated with its parent company for reporting purposes and does not issue stand-alone financial statements, for the two (2) preceding years that in GTN's opinion demonstrate adequate financial strength.
  - (c) An estimated financial strength rating by Dun and Bradstreet sufficient to cover the credit to be extended and a corresponding Dun and Bradstreet composite credit appraisal of "fair" or better.
- (3) Shipper's credit limit for interruptible transportation will be established by GTN based upon the audited financial statements for the Shipper's two (2) most recent fiscal years, all interim reports, and any other relevant information. If Shipper does not establish or maintain creditworthiness as described above, or if Shipper's credit limit as determined by GTN is insufficient to cover Shipper's contractual obligations, Shipper has the option of receiving interruptible transportation service under this FERC Gas Tariff by providing to GTN a guarantee acceptable to GTN, collateral (i.e., cash or letter of credit), or security as described in (a) through (e) below. GTN may not unreasonably prevent a shipper from later switching the type of credit alternative that it provides.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(2) (Continued)

Shipper's creditworthiness shall be determined by providing proof of one of the items listed below:

- (a) A rating for unenhanced senior unsecured debt of at least BB+ by Standard & Poor's or Baa1 by Moody's. In the event that a split rating occurs between rating agencies, GTN will rely upon the lower of the ratings.
- (b) Audited financial statements for itself, or for its parent company if it is a subsidiary that is consolidated with its parent company for reporting purposes and does not issue stand-alone financial statements, for the two (2) preceding years that in GTN's opinion demonstrate adequate financial strength.
- (c) An estimated financial strength rating by Dun and Bradstreet sufficient to cover the credit to be extended and a corresponding Dun and Bradstreet composite credit appraisal of "fair" or better.
- (3) Shipper's credit limit for interruptible transportation will be established by GTN based upon the audited financial statements for the Shipper's two (2) most recent fiscal years, all interim reports, and any other relevant information. If Shipper does not establish or maintain creditworthiness as described above, or if Shipper's credit limit as determined by GTN is insufficient to cover Shipper's contractual obligations, Shipper has the option of receiving interruptible transportation service under this FERC Gas Tariff by providing to GTN one of the following alternatives: a guarantee acceptable to GTN, collateral (i.e., cash or letter of credit), or security as described in (a) through (e) below. GTN may deny subsequent requests to substitute credit assurances on a not unduly discriminatory basis and will provide Shipper with a written explanation of any denial of a request to substitute credit assurances.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(2) (Continued)

Shipper's creditworthiness shall be determined by providing proof of one of the items listed below:

- (a) A rating for unenhanced senior unsecured debt of at least BB+ by Standard & Poor's or Baa1 by Moody's. In the event that a split rating occurs between rating agencies, GTN will rely upon the lower of the ratings.
- (b) Audited financial statements for itself, or for its parent company if it is a subsidiary that is consolidated with its parent company for reporting purposes and does not issue stand-alone financial statements, for the two (2) preceding years that in GTN's opinion demonstrate adequate financial strength.
- (c) An estimated financial strength rating by Dun and Bradstreet sufficient to cover the credit to be extended and a corresponding Dun and Bradstreet composite credit appraisal of "fair" or better.
- (3) Shipper's credit limit for interruptible transportation will be established by GTN based upon the audited financial statements for the Shipper's two (2) most recent fiscal years, all interim reports, and any other relevant information. If Shipper does not establish or maintain creditworthiness as described above, or if Shipper's credit limit as determined by GTN is insufficient to cover Shipper's contractual obligations, Shipper has the option of receiving interruptible transportation service under this FERC Gas Tariff by providing to GTN one of the following alternatives: a guarantee acceptable to GTN, collateral (i.e., cash or letter of credit), or security as described in (a) through (e) below. GTN may deny subsequent requests to substitute credit assurances on a not unduly discriminatory basis and will provide Shipper with a written explanation of any denial of a request to substitute credit assurances.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (Continued)

- (a) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to GTN from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these companies, the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on GTN's Internet website. If during the term of service the guarantor does not meet the creditworthiness standards discussed above, then GTN may request additional credit assurances as described in (a) through (e) below if GTN agrees to release the original guarantor of all obligations at the time Shipper provides the additional assurances.
- (b) Cash Options: A Shipper may provide cash as security for service via cleared check or wire transfer. Shippers may provide either of the following forms of cash security:
  - (i) A cash security deposit up to the maximum amount of the services that may be provided in any three-month period under an interruptible Agreement. Such cash security deposit will remain in place to allow continued service under Shipper's IT Agreement(s). Cash security deposits will earn interest at the FERC interest rate consistent with Section 154.501 of the Commission's regulations. Interest will be paid by GTN on an annual basis each September 1 or at the time Shipper's deposit is returned due to either a return to creditworthiness by Shipper or the expiration of Shipper's Agreement(s).

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (Continued)

- (a) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to GTN from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these companies, the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on GTN's Internet website. If during the term of service the guarantor does not meet the creditworthiness standards discussed above, then GTN may request additional assurances as described in (a) through (e) below if GTN agrees to release the original guarantor of all obligations at the time Shipper provides the additional assurances.
- (b) Cash Options: A Shipper may provide cash as security for service via cleared check or wire transfer. Shippers may provide either of the following forms of cash security:
  - (i) A cash security deposit up to the maximum amount of the services that may be provided in any three-month period under an interruptible Agreement. Such cash security deposit will remain in place to allow continued service under Shipper's IT Agreement(s). Cash security deposits will earn interest at the applicable monthly "Federal Funds (effective)" rate published in the Federal Reserve Statistical Report H.15. Interest will be paid by GTN on an annual basis each September 1 or at the time Shipper's deposit is returned due to either a return to creditworthiness by Shipper or the expiration of Shipper's Agreement(s).

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (Continued)

- (a) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to GTN from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these companies, the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on GTN's Internet website. If during the term of service the guarantor does not meet the creditworthiness standards discussed above, then GTN may request additional assurances as described in (a) through (e) below if GTN agrees to release the original guarantor of all obligations at the time Shipper provides the additional assurances.
- (b) Cash Options: A Shipper may provide cash as security for service via cleared check or wire transfer. Shippers may provide either of the following forms of cash security:
  - (i) A cash security deposit up to the maximum amount of the services that may be provided in any three-month period under an interruptible Agreement. Such cash security deposit will remain in place to allow continued service under Shipper's IT Agreement(s). Cash security deposits will earn interest at the applicable monthly "Federal Funds (effective)" rate published in the Federal Reserve Statistical Report H.15. Interest will be paid by GTN on an annual basis each September 1 or at the time Shipper's deposit is returned due to either a return to creditworthiness by Shipper or the expiration of Shipper's Agreement(s).

(Continued)

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FERC Docket: RP06-407-005

**Original Sheet No. 138A** Original Sheet No. 138A : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (b) (Continued)

- (ii) A prepayment equal to an amount defined by Shipper. Such defined balance prepayment will remain in place until Shipper exhausts its prepaid balance by utilizing interruptible transportation service. At the point Shipper's prepayment is exhausted, GTN may suspend further activity under an interruptible Agreement collateralized by a prepayment. Shipper will not earn interest on defined balance prepayments.

(Continued)

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FERC Docket: RP06-407-008

**Substitute Original Sheet No. 138A** Substitute Original Sheet No. 138A : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (b) (Continued)

- (ii) A prepayment equal to an amount defined by Shipper. Such defined balance prepayment will remain in place until Shipper exhausts its prepaid balance by utilizing interruptible transportation service. At the point Shipper's prepayment is exhausted, GTN may suspend further activity under an interruptible Agreement collateralized by a prepayment. Shipper will not earn interest on defined balance prepayments.

(Continued)

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Superseding: Second Revised Sheet No. 139

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (Continued)

- (c) Letter of Credit: Shipper may post a Letter of Credit (LC) in a form acceptable to GTN. A form of LC is available on GTN's Internet website. For interruptible service, the amount of the LC must be up to the maximum amount of the services that may be provided in any three-month period under an interruptible Agreement.
- (d) Flexible Credit Account: As an alternative to providing security for interruptible service based upon the maximum amount of service that may be provided in any three-month period, a Shipper may establish a flexible credit account by providing either a letter of credit or cash security deposit in an amount defined by Shipper. The minimum amount of security required under this option equals the maximum amount of service that may be provided in one day. Once Shipper has taken service up to the point where the security provided is insufficient to cover the maximum amount of service that may be provided in one day, Shipper will not be entitled to receive further interruptible service until Shipper 1) pays all or a portion of the amounts due for interruptible service or 2) Shipper provides GTN with additional security. Firm Shippers may utilize security provided for firm transportation service that is in excess of the amount necessary to collateralize Shipper's Firm Transportation Service Agreement(s) in order to establish a flexible credit account. Cash security deposits under this security option, including excess firm security balances, will earn interest at the applicable monthly "Federal Funds (effective)" rate published in the Federal Reserve Statistical Report H.15. Interest will be paid by GTN on an annual basis each September 1 or at the time Shipper's deposit is returned due to either a return to creditworthiness by Shipper or the expiration of Shipper's Agreement(s).

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(D) Creditworthiness for Interruptible Transportation Service  
(Continued)

(3) (Continued)

(e) Any other security mutually agreed upon by Shipper and GTN. Such other security shall be accepted on a nondiscriminatory basis.

- (4) Within five (5) business days of a Shipper notifying GTN either in writing or by fax that it has returned to creditworthiness consistent with Paragraph 18.3(D)(1)(a) or 18.3(D)(1)(c) herein, and provided that Shipper's credit limit is adequate to cover its contractual obligations, GTN will return, with any applicable interest, Shipper's security held by GTN along with reconciliations of interest calculations.

Upon the expiration of Shipper's Agreement(s), GTN will return, with any applicable interest, Shipper's security associated with undisputed invoice amounts within five (5) business days of Shipper paying its final invoice. Any remaining security will be returned with interest after resolving any and all disputed invoice amounts under the expired Agreement(s). GTN will provide Shipper with final billing reconciliations detailing interest calculations.

(E) Creditworthiness for Parking and Lending Services

The standards for Interruptible Transportation Service apply to parking and lending service under GTN Rate Schedules PS-1 and AIS-1, respectively. For lending service, however, the security requirement under the cash and Letter of Credit options includes an amount to adequately account for the value of the gas being lent. The amount of security necessary to collateralize lent gas will be up to Shipper's maximum quantity times the average annual "Malin" price, as reported in Gas Daily's Daily Price Survey, for the preceding calendar year ended October 31. GTN shall have no obligation to lend any quantity of gas beyond amounts for which GTN holds security.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(F) Creditworthiness for Imbalance Gas Owed to GTN

The standards for Interruptible Transportation Service apply to negative imbalances under GTN Rate Schedules. For negative imbalances, the security requirement under the cash and Letter of Credit options includes an amount to adequately account for the value of imbalance gas owed to GTN. The amount of security necessary to collateralize imbalance gas will be determined as follows:

- (1) For existing Shippers that do not meet GTN's creditworthiness standards, the security requirement shall be up to the product of a Shipper's largest monthly negative imbalance over the most recent twelve (12) month period and the average of NYMEX future prices for the available twelve (12) month period as such prices close on the day the credit requirement is determined.
- (2) For new Shippers that do not meet GTN's creditworthiness standards, the security requirement shall be up to the product of ten (10) percent of a Shipper's estimated monthly usage (as estimated by GTN) and the average of NYMEX future prices for the available twelve (12) month period as such prices close on the day the credit requirement is determined. This formula shall be used for the first twelve (12) months of service while a historical record is established; thereafter, security for such Shipper will be determined as specified for an existing Shipper that does not meet GTN's creditworthiness standards.

(G) Creditworthiness for Firm and Interruptible Transportation Service

- (1) GTN's credit appraisal procedures involve the establishment of dollar and term of service credit limits on a nondiscriminatory basis. Credit limits will reflect an annual dollar amount and a maximum term. If Shipper provides a guarantee, GTN will set a credit limit for the shipper based upon a credit appraisal of the guarantor. Credit limits may be modified by GTN when Shipper's financial conditions change.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(F) Creditworthiness for Imbalance Gas Owed to GTN

The standards for Interruptible Transportation Service apply to negative imbalances under GTN Rate Schedules. For negative imbalances, the security requirement under the cash and Letter of Credit options includes an amount to adequately account for the value of imbalance gas owed to GTN. The amount of security necessary to collateralize imbalance gas will be determined as follows:

- (1) For existing Shippers that do not meet GTN's creditworthiness standards, the security requirement shall be up to the product of a Shipper's largest monthly negative imbalance over the most recent twelve (12) month period and the average of NYMEX future prices for the available twelve (12) month period as such prices close on the day the credit requirement is determined.
- (2) For new Shippers that do not meet GTN's creditworthiness standards, the security requirement shall be up to the product of ten (10) percent of a Shipper's estimated monthly usage (as estimated by GTN) and the average of NYMEX future prices for the available twelve (12) month period as such prices close on the day the credit requirement is determined. This formula shall be used for the first twelve (12) months of service while a historical record is established; thereafter, security for such Shipper will be determined as specified for an existing Shipper that does not meet GTN's creditworthiness standards.

(Continued)

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FERC Docket: RP06-407-008

**Substitute Fourth Revised Sheet No. 141** Substitute Fourth Revised Sheet No. 141 : Pending

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(F) Creditworthiness for Imbalance Gas Owed to GTN

The standards for Interruptible Transportation Service apply to negative imbalances under GTN Rate Schedules. For negative imbalances, the security requirement under the cash and Letter of Credit options includes an amount to adequately account for the value of imbalance gas owed to GTN. The amount of security necessary to collateralize imbalance gas will be determined as follows:

- (1) For existing Shippers that do not meet GTN's creditworthiness standards, the security requirement shall be up to the product of a Shipper's largest monthly negative imbalance over the most recent twelve (12) month period and the average of NYMEX future prices for the available twelve (12) month period as such prices close on the day the credit requirement is determined.
- (2) For new Shippers that do not meet GTN's creditworthiness standards, the security requirement shall be up to the product of ten (10) percent of a Shipper's estimated monthly usage (as estimated by GTN) and the average of NYMEX future prices for the available twelve (12) month period as such prices close on the day the credit requirement is determined. This formula shall be used for the first twelve (12) months of service while a historical record is established; thereafter, security for such Shipper will be determined as specified for an existing Shipper that does not meet GTN's creditworthiness standards.

(Continued)

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**First Revised Sheet No. 141A** First Revised Sheet No. 141A : Effective

Superseding: Original Sheet No. 141A

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(G) Creditworthiness for Firm and Interruptible Transportation  
Service (Continued)

- (2) Shipper's total contractual obligation is the present value of all firm contracts, plus the amount necessary to collateralize all of a Shipper's interruptible transportation agreements.
- (3) Shipper's total security requirement is the amount necessary to collateralize all of a Shipper's firm and interruptible transportation agreements.
- (4) Subject to the requirements of Section 7 of the Natural Gas Act, GTN shall not be required to perform or to continue to perform service on behalf of any Customer who fails to demonstrate minimal creditworthiness as required under this FERC Gas Tariff; provided, however, such Customer may receive service if said Customer provides alternative credit as described within Paragraphs 18.3(A) (1), 18.3(D) (2), and 18.3(E) of these Transportation General Terms and Conditions.

18.4 Upon request of GTN, Shipper shall from time to time submit estimates of daily, monthly and annual quantities of gas to be transported, including peak day requirements.

18.5 GTN shall not be obligated to install additional facilities, other than those specified in Paragraph 4.1 herein, that are required to provide service under this FERC Gas Tariff, Third Revised Volume No. 1-A; provided, however, GTN may install or Shipper may pay all of the expenses incurred for installing additional facilities on a nondiscriminatory basis and under terms that are mutually agreeable. In the event GTN incurs the cost of installing additional facilities on behalf of a Shipper, Shipper shall pay, in addition to the rate(s) stated in the applicable rate schedule, the prorated (based on Transportation Contract Demand) cost of service attributable to any such additional facilities until such time as a different allocation procedure is specified by Commission order.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(G) Creditworthiness for Firm and Interruptible Transportation Service

- (1) Shipper's total contractual obligation is the present value of all firm contracts, plus the amount necessary to collateralize all of a Shipper's interruptible transportation agreements.
- (2) Shipper's total security requirement is the amount necessary to collateralize all of a Shipper's firm and interruptible transportation agreements.
- (3) Subject to the requirements of Section 7 of the Natural Gas Act, GTN shall not be required to perform or to continue to perform service on behalf of any Customer who fails to demonstrate minimal creditworthiness as required under this FERC Gas Tariff; provided, however, such Customer may receive service if said Customer provides alternative credit as described within Paragraphs 18.3(A)(1), 18.3(D)(2), and 18.3(E) of these Transportation General Terms and Conditions.

18.4 Upon request of GTN, Shipper shall from time to time submit estimates of daily, monthly and annual quantities of gas to be transported, including peak day requirements.

18.5 GTN shall not be obligated to install additional facilities, other than those specified in Paragraph 4.1 herein, that are required to provide service under this FERC Gas Tariff, Third Revised Volume No. 1-A; provided, however, GTN may install or Shipper may pay all of the expenses incurred for installing additional facilities on a nondiscriminatory basis and under terms that are mutually agreeable. In the event GTN incurs the cost of installing additional facilities on behalf of a Shipper, Shipper shall pay, in addition to the rate(s) stated in the applicable rate schedule, the prorated (based on Transportation Contract Demand) cost of service attributable to any such additional facilities until such time as a different allocation procedure is specified by Commission order.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

18. OPERATING PROVISIONS (Continued)

18.3 Creditworthiness (Continued)

(G) Creditworthiness for Firm and Interruptible Transportation Service

- (1) Shipper's total contractual obligation is the present value of all firm contracts, plus the amount necessary to collateralize all of a Shipper's interruptible transportation agreements.
- (2) Shipper's total security requirement is the amount necessary to collateralize all of a Shipper's firm and interruptible transportation agreements.
- (3) Subject to the requirements of Section 7 of the Natural Gas Act, GTN shall not be required to perform or to continue to perform service on behalf of any Customer who fails to demonstrate minimal creditworthiness as required under this FERC Gas Tariff; provided, however, such Customer may receive service if said Customer provides alternative credit as described within Paragraphs 18.3(A)(1), 18.3(D)(2), and 18.3(E) of these Transportation General Terms and Conditions.

18.4 Upon request of GTN, Shipper shall from time to time submit estimates of daily, monthly and annual quantities of gas to be transported, including peak day requirements.

18.5 GTN shall not be obligated to install additional facilities, other than those specified in Paragraph 4.1 herein, that are required to provide service under this FERC Gas Tariff, Third Revised Volume No. 1-A; provided, however, GTN may install or Shipper may pay all of the expenses incurred for installing additional facilities on a nondiscriminatory basis and under terms that are mutually agreeable. In the event GTN incurs the cost of installing additional facilities on behalf of a Shipper, Shipper shall pay, in addition to the rate(s) stated in the applicable rate schedule, the prorated (based on Transportation Contract Demand) cost of service attributable to any such additional facilities until such time as a different allocation procedure is specified by Commission order.

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Original Sheet No. 142 Original Sheet No. 142 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING, AND NOMINATIONS

19.1 Priority of Firm Service

Firm service shall have the highest priority on GTN's System. From time to time, GTN may not have sufficient capacity to accommodate all nominations for firm service through a given segment of its pipeline, Receipt Point, or Delivery Point. In that event, GTN shall schedule firm service using the following priorities.

19.1A FIRM SCHEDULING PRIORITIES THROUGH PIPELINE SEGMENTS.

GTN shall first schedule nominations for service within a shipper's Primary Path. In the event GTN has insufficient capacity to schedule all nominations for service within Shippers' Primary Paths, GTN shall schedule service to Shippers nominating for service along Primary Paths on a pro rata basis in accordance with each shipper's MDQ.

GTN will next schedule nominations for service within a shipper's Reverse Path. In the event GTN has insufficient capacity to schedule all nominations for service within Shippers' Reverse Paths, GTN shall schedule service to Shippers nominating for service along Reverse Paths on a pro rata basis in accordance with each shipper's MDQ.

19.1B FIRM SCHEDULING PRIORITIES THROUGH RECEIPT POINTS.

First, GTN shall schedule service to those shippers for whom the constrained receipt point is a Primary Receipt Point, up to each shipper's MDQ at that point (plus an allowance for fuel). In the event full service cannot be provided to shippers holding Primary Receipt Point rights, service will be scheduled on a pro rata basis based on each shipper's primary MDQ at that point.

(Continued)

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FERC Docket: RP04- 23-000

**Original Sheet No. 143** Original Sheet No. 143 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.1B FIRM SCHEDULING PRIORITIES THROUGH RECEIPT POINTS. (Continued)

GTN shall then schedule service to those shippers for whom the constrained receipt point is a Secondary Receipt Point. In the event full service cannot be provided, service will be scheduled on a pro rata basis based on each shipper's MDQ.

19.1C FIRM SCHEDULING PRIORITIES THROUGH DELIVERY POINTS.

GTN shall first schedule service to those shippers for whom the constrained Delivery point is a Primary Delivery Point, up to each shipper's MDQ at that point. In the event full service cannot be provided to shippers holding Primary Delivery Point rights, service will be scheduled on a pro rata basis based on each shipper's MDQ at that point.

GTN shall then schedule service to those shippers for whom the constrained Delivery point is a Secondary Delivery Point. In the event full service cannot be provided, service will be scheduled on a pro rata basis based on each shipper's MDQ.

19.1D SCHEDULING PRIORITY FOR CAPACITY RELEASE

The Scheduling Priorities set out in this Section 19.1 also apply for capacity released under GTN's capacity release program, and are subject to the terms and conditions as specified in an executed firm service agreement between GTN and Shipper. All service under the capacity release program shall be considered firm for purposes of priority of service.

(Continued)

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**Original Sheet No. 144** Original Sheet No. 144 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.2 PRIORITY OF INTERRUPTIBLE SERVICE

Interruptible transportation service under this FERC Gas Tariff, Third Revised Volume No. 1-A, shall be provided when and to the extent that capacity is available in GTN's existing facilities, subject to the priorities of service set forth herein. GTN will provide interruptible transportation service first to the Shipper(s) paying the highest rate. (Shippers paying a Negotiated Rate that exceeds the maximum applicable tariff rate shall be considered to be paying the maximum applicable tariff rate.) For the purposes of Section 19.2, the term "highest rate" shall be determined by multiplying the distance in pipeline miles (from the receipt point to the delivery point) by the mileage component(s) of the ITS-1 rate (including applicable surcharges), and then adding the non-mileage component(s) of the ITS-1 rate (including applicable surcharges). In the event of a tie, GTN shall allocate interruptible capacity among interruptible Shippers on a pro-rata basis based on confirmable nominations.

(Continued)



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*FERC Docket: RP09-684-000*

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Superseding: Second Revised Sheet No. 145

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.3 Priority of Authorized Overrun Service

Authorized overrun service shall have a priority lower than firm or interruptible as defined above. Priority within the overrun class shall be determined using a first-come, first-serve procedure.

19.4 Nominations

19.4(a) Information to be Provided with Nomination

A Shipper may nominate for transportation service on GTN electronically in accordance with Section 34 of the General Terms and Conditions of this Tariff. In accordance with NAESB Standard 1.3.5, Version 1.8, all nominations should include Shipper-defined begin dates and end dates. All nominations excluding intraday nominations should have roll-over options. Specifically, Shippers should have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of Shipper's contract.

All nominations shall include, at a minimum:

a daily quantity of gas to be transported (expressed in Dekatherms);

previously approved and valid receipt and delivery points; and

shipper defined begin dates and end dates.

(Continued)

*Effective Date: 08/01/2009    Status: Effective*

*FERC Docket: RP09-684-000*

**Third Revised Sheet No. 146** Third Revised Sheet No. 146

Superseding: Second Revised Sheet No. 146

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(a) Information to be Provided with Nomination (Continued)

Shipper shall provide as a component of its nomination such business conditional data sets as may be required by GTN to enable it to identify, confirm, and schedule the nomination. Shipper shall also prioritize nominated receipts and deliveries when there is more than one supplier and more than one Shipper customer, respectively. Shipper designated priorities will be used to allocate gas when upstream and downstream nominations vary from GTN's Shipper nominations.

Shipper may nominate for any period of days, provided the nomination begin and end dates are within the term of the Shipper's Transportation Service Agreement or exhibit. Such nominations shall be deemed "Standing Nominations." All types of Nominations must be clearly and separately identified so that priorities of service can be distinguished. As required by NAESB Standard 1.3.19, Version 1.8, overrun quantities should be requested on a separate transaction.

The receipt of the nomination is notice that all necessary regulatory approvals have been received and that valid upstream and downstream transportation and other contractual arrangements are in place.

(Continued)

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**Third Revised Sheet No. 147** Third Revised Sheet No. 147

Superseding: Second Revised Sheet No. 147

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(b) Nomination Cycles

In accordance with NAESB Standard 1.3.2, Version 1.8, GTN will utilize the following standard nomination cycles:

(i) THE TIMELY NOMINATION CYCLE:

11:30 a.m. (CCT) (9:30 a.m. PCT) nominations leave control of the nominating party;

11:45 a.m. (CCT) (9:45 a.m. PCT) receipt of nominations by GTN (including from Title Transfer Tracking Service Providers (TTTSPs));

12:00 noon (CCT) (2:00 p.m. PCT) GTN sends Quick Response;

3:30 p.m. (CCT) (1:30 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

4:30 p.m. (CCT) (2:30 p.m. PCT) receipt of scheduled quantities by shipper and point operator (central clock time on the day prior to flow).

(ii) THE EVENING NOMINATION CYCLE:

6:00 p.m. (CCT) (4:00 p.m. PCT) nominations leave control of the nominating party;

6:15 p.m. (CCT) (4:15 p.m. PCT) receipt of nominations by GTN (including from TTTSPs);

6:30 p.m. (CCT) (4:30 p.m. PCT) GTN sends Quick Response;

9:00 p.m. (CCT) (7:00 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

10:00 p.m. (CCT) (8:00 p.m. PCT) GTN provides scheduled quantities to affected shippers and point operators, and provides scheduled quantities and notice to bumped parties. Advance notice to bumped parties shall be provided by telephone, facsimile, or electronic mail, at the shipper's option. (Continued)

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**Original Sheet No. 148** Original Sheet No. 148 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(b) Nomination Cycles (continued)

Scheduled quantities resulting from an Evening Nomination will be effective at 9:00 a.m. (CCT) (7:00 a.m. PCT) on gas day.

(iii) THE INTRADAY 1 NOMINATION CYCLE:

10:00 a.m. (CCT) (8:00 a.m. PCT) nominations leave control of the nominating party;

10:15 a.m. (CCT) (8:15 a.m. PCT) receipt of nominations by GTN (including from TTTSPs);

10:30 a.m. (CCT) (8:30 a.m. PCT) GTN sends Quick Response;

1:00 p.m. (CCT) (11:00 a.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

2:00 p.m. (CCT) (12:00 noon PCT) GTN provides scheduled quantities to affected shippers and point operators, and provides scheduled quantities and notice to bumped parties. Advance notice to bumped parties shall be provided by telephone, facsimile, or electronic mail, at the shipper's option.

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 5:00 p.m. (CCT) (3:00 P.M. PCT) on gas day.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(b) Nomination Cycles

(iv) THE INTRADAY 2 NOMINATION CYCLE:

5:00 p.m. (CCT) (3:00 p.m. PCT) nominations leave control of the nominating party;

5:15 p.m. (CCT) (3:15 p.m. PCT) receipt of nominations by GTN (including from TTTSPs);

5:30 p.m. (CCT) (3:30 p.m. PCT) GTN sends Quick Response;

8:00 p.m. (CCT) (6:00 p.m. PCT) receipt of completed confirmations by GTN from upstream and downstream connected parties;

9:00 p.m. (CCT) (7:00 p.m. PCT) GTN provides scheduled quantities to affected shippers and point operators.

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 9:00 p.m. (CCT) (7:00 p.m. PCT) on gas day.

Firm intraday nominations during the Intraday 2 Nomination Cycle may not bump nominated and scheduled interruptible volumes.

- (v) For purposes of NAESB Standards 1.3.2 ii, iii, and iv (reflected in Paragraphs 19.4(b)(ii) through 19.4(b)(iv) above), "provide" shall mean, for transmittals pursuant to NAESB Standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

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Superseding: Second Revised Sheet No. 151

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(b) Scheduling Timelines (Continued)

Transporter shall, at the end of each business day, make available to each Shipper information containing scheduled quantities including scheduled intraday nominations and any other scheduling changes.

GTN shall have the discretion to accept nominations at such later times as operating conditions permit and without detrimental impact to other shippers and upon confirmation that corresponding upstream and downstream arrangements in a manner satisfactory to GTN have been made. In the event later nominations are accepted, GTN will schedule those nominations after the nominations received before the nominations deadline, which is in accordance with NAESB Standard 1.3.6, Version 1.8, that states nominations received after nomination deadline should be scheduled after the nominations received before the nomination deadline.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(c) Changes to Nominations

(1) Changes to Standing Nominations

In accordance with NAESB Standard 1.3.7, Version 1.8, all nominations should be considered original nominations and should be replaced to be changed. 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 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. A nomination for a period within the start and end dates of a Standing Nomination replaces the Standing Nomination for the specific gas day(s) only and does not replace the remainder of the Standing Nomination.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(c) Changes to Nominations (Continued)

Such nominations must be received by GTN's Transportation Department in accordance with the scheduling timelines set out in Section 19.4(b).

In the event GTN does not receive information of upstream or downstream adjustments, GTN shall use the lesser of the new nomination or the previous nomination.

(2) Intraday Nominations

In accordance with NAESB Standard 1.3.8, Version 1.8, all transportation service providers should allow for intraday nominations. Requests to amend previously scheduled nominations may be accepted during the gas day, subject to operational conditions and, further that corresponding upstream and downstream adjustments in a manner satisfactory to GTN can be confirmed. In accordance with NAESB Standard 1.3.11, Version 1.8, such intraday Nominations can be used to request increases or decreases in total flow, changes to receipt points, or changes to delivery points of scheduled gas. A request to increase a nomination for firm transportation up to the MDQ specified in the Service Agreement will be accommodated to the extent operating conditions permit. Firm intraday nominations other than during the Intraday 2 Nomination Cycle shall have priority over nominated and scheduled interruptible volumes. A request to increase a nomination for interruptible transportation shall be permitted only to the extent that capacity is available and that no displacement of other interruptible transportation occurs. Such changes will become effective only when system operating conditions, as determined by GTN, permit changes to occur.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(c) Changes to Nominations (Continued)

Intraday Nominations do not have roll-over options and will replace the Standing Nomination only for the duration of the Gas Day. Quantities for Intraday Nominations will be expressed in Dekatherms, and represent the total quantities to be delivered prior to the end of the effective Gas Day.

- (3) In accordance with NAESB Standard 1.3.9, Version 1.8, all nominations, including Intraday Nominations, should be based on a daily quantity; thus, an Intraday Nominator need not submit an hourly nomination. Intraday nominations should include an effective date and time. The interconnected parties should agree on the hourly flows of the Intraday Nomination, if not otherwise addressed in transporter's contract or tariff.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19. PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.4 Nominations (Continued)

19.4(d) Information Reliability

GTN shall be allowed to rely conclusively on the information submitted as part of the nomination in confirming the nomination for scheduling and allocation. Shipper must provide electronically to GTN Shipper's current designated contact, after hours and emergency telephone numbers. Such information must be updated as often as changes to such information occurs. GTN may rely solely upon the information provided by Shipper and will not be liable to Shipper if Shipper's contact information is outdated and communication attempts with such Shipper are unsuccessful.

19.4(e) Uniform Hourly Rates

Scheduled quantities will be received and delivered at a uniform hourly rate of confirmed quantity divided by 24, unless as determined by GTN, variance from the hourly rate will not be detrimental to the operation of the pipeline or adversely affect other GTN Shippers.

19.4(f) North American Energy Standards Board Standards:

Nominations for service on GTN shall be further governed by the following standards adopted by the North American Energy Standards Board. Unless otherwise specified, all standards are Version No. 1.7:

1.3.13; 1.3.14; 1.3.16; 1.3.22; and 1.3.23.

19.4(g) Nomination of Service Fee

GTN may, upon mutual agreement with Shipper, enter into agency agreements on third-party pipelines that will allow GTN to place transportation service nominations for Shipper on both GTN and other third-party pipelines. A nomination of service fee shall be negotiated between GTN and Shipper for such service. GTN will provide this service on a non-discriminatory basis.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

19.        PRIORITY OF SERVICE, SCHEDULING AND NOMINATIONS (Continued)

19.5       Priority of Parking and Authorized Imbalance Service

Parking and Authorized Imbalance Service shall have the lowest priority on GTN's system. All other transportation service, including rectification of imbalances, have superior priority to these services.

(Continued)

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**Original Sheet No. 159** Original Sheet No. 159 :    Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

20. CURTAILMENT

GTN shall have the right to curtail, interrupt, or discontinue Transportation Service on any portion of its system at any time for reasons of Force Majeure or when capacity, supply, or operating conditions so require or it is necessary or desirable to make modifications, repairs, or operating changes to its system. GTN shall provide notice of such occurrences as is reasonable under the circumstances.

Capacity may become constrained at individual receipt points, delivery points or on segments of the pipeline. GTN shall exercise this curtailment provision only at the point(s) or segment(s) of the pipeline affected by the constraint. When capacity is constrained or otherwise insufficient to serve all the transportation requirements which are scheduled to receive service, GTN shall curtail Authorized Imbalance Service; followed by Interruptible Service, and finally Firm service.

Curtailment of Authorized Imbalance Service, if necessary, shall be performed in the opposite order of scheduling as set forth in Section 19.3 of this Tariff.

Curtailment of Interruptible Service, if necessary, will be performed in the opposite order of scheduling set forth in Section 19.2 of this Tariff

Curtailment of firm service if necessary, will be performed pro rata based on the MDQ across the contracts scheduled to use the capacity at the applicable receipt points, delivery point(s) or mainline segment(s) of pipeline.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

## 21. BALANCING

- 21.1 Balancing of thermally equivalent quantities of gas received and delivered by GTN shall be achieved as nearly as feasible on a daily basis, with any cumulative imbalance accounted for on a monthly basis. Correction of imbalances shall be the responsibility of the Shipper whether or not notified by GTN at the time of incurrence of the imbalance. Correction of imbalances shall be scheduled with GTN using the nomination process as soon as an imbalance is known to exist based on the best available current data. Nominations to correct imbalances shall have the lowest priority for scheduling purposes and shall be subject to the availability of capacity and other operational constraints for imbalance correction. If on any day capacity is insufficient to schedule all imbalance nominations, all such nominations shall be prorated accordingly. To maintain the operational integrity of its system, GTN shall have the right to balance any Shipper's account as conditions may warrant.

Imbalance penalties will apply during constraint periods when it is necessary to maintain or restore the operational integrity of the pipeline system and to ensure: adequate pipeline pressures to provide efficient and reliable transportation services; adequate system line pack to deliver on demand; service to all Shippers for all firm services; and a balanced system for the foregoing purposes. Imbalances shall exist as defined below and be subject to the applicable charges and penalties if not corrected.

### (a) Actual delivered quantity exceeds MDQ

Authorized Overruns are interruptible in nature and will be subject to the Authorized Overrun charge, which is equal to the rates and charges set forth for interruptible service under Rate Schedule ITS-1, and such Authorized Overruns shall be subject to the priority of service provisions of Paragraph 19 of these Transportation General Terms and Conditions.

An imbalance shall exist when GTN has not authorized deliveries in excess of a Shipper's MDQ. Under these circumstances, GTN may, without notice, adjust Shipper requests for confirmation from receipt and delivery markets on GTN's system.

Penalty: For unauthorized deliveries in excess of a Shipper's MDQ, a Shipper shall be assessed a penalty equal to two (2) times the maximum applicable interruptible transportation rate for the quantity that is greater than 10% of the MDQ or 1000 Dth, whichever is greater.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

21. BALANCING (Continued)

21.1 (Continued)

(b) Actual delivered quantity exceeds receipt quantity

A net negative imbalance shall exist if the difference between the quantity received and the quantity delivered, taking into account the reduction in quantity for compressor fuel use, yields a negative result. Commencing upon notification by GTN of the existence of the negative imbalance, and to the extent that the GTN system is not constrained or its integrity is not threatened, Shipper shall have three (3) days to correct the imbalance.

Remedies: Shippers may schedule with GTN using the nomination process to eliminate or reduce negative imbalances. In addition, in accordance with this Paragraph 21, Shippers may net or trade imbalances to eliminate or reduce positive imbalances.

Penalty: If at the end of the aforementioned three (3) day period the difference between the actual delivered quantity and the receipt quantity is in excess of 10% of the delivered quantity or 1000 Dth, whichever is greater, the Shipper shall be assessed a charge of \$5/Dth applied to the excess quantities. If the imbalance is not corrected within 45 days of GTN's notice of an imbalance, the Shipper shall be assessed an additional charge of \$5/Dth, applied to the net imbalance remaining at the end of the 45 day balancing period.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

21. BALANCING (Continued)

21.1 (Continued)

(c) Actual quantity received exceeds delivered quantity

A net positive imbalance shall exist if the difference between the quantity received and the quantity delivered, taking into account the reduction in quantity for compressor fuel use, yields a positive result. Commencing upon notification by GTN of the existence of the imbalance, and to the extent that the GTN system is not constrained or its integrity threatened, Shipper shall have three (3) days to correct the imbalance.

Remedies: Shippers may schedule with GTN using the nomination process to eliminate or reduce positive imbalances. In addition, in accordance with this Paragraph 21, Shippers may net or trade imbalances to eliminate or reduce positive imbalances.

Penalty: If at the end of the aforementioned three (3) day period the difference between the actual quantity received and the delivered quantity is in excess of 10% of the delivered quantity or 1000 Dth, whichever is greater, the Shipper shall be assessed a penalty of \$2/Dth applied to the excess quantity. If the imbalance is not corrected within 45 days of GTN's notice of an imbalance, GTN shall be able to retain the remaining imbalance quantity without compensation to the Shipper and free and clear of any adverse claim. Quantities retained by GTN will be sold in accordance with Paragraph 39 of these Transportation General Terms and Conditions, and the proceeds from the sale of confiscated gas will be credited to all shippers in accordance with Paragraph 21.6.

(Continued)

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Original Sheet No. 163 Original Sheet No. 163 : Superseded

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

21. BALANCING (Continued)

- (e) Actual delivered quantity exceeds scheduled delivery quantity

An imbalance shall exist when the quantity delivered exceeds the quantity scheduled (nominated and confirmed).

Penalty: When the difference between the actual delivered quantity and the scheduled delivery quantity is in excess of 10% of the scheduled quantity or 1000 Dth whichever is greater, the Shipper shall be assessed a charge of \$5/Dth applied to the excess quantity.

Imbalance determinations as described above will be performed on a daily basis and each daily occurrence will constitute a separate incident. It is recognized and understood that more than one penalty provision may apply to each imbalance incident.

In the event that any penalty would otherwise be applicable under these provisions as a direct consequence of any action or failure to take action by GTN or the failure of any facility under GTN's control, or an event of force majeure as defined in these Transportation General Terms and Conditions, said penalty shall not apply.

Interruptible Shippers will be notified whether penalties will apply on the day their volumes are reduced. GTN shall waive non-critical penalties for bumped shippers on the day of the bump. Waiver of non-critical penalties shall not relieve the shipper from the obligation to take corrective action to eliminate ongoing imbalances.

The payment of a penalty in dollars pursuant to Paragraph 21 shall under no circumstances be considered as giving any Shipper the right to deliver or take overrun quantities.

Upon termination of a Service Agreement, Shipper shall have 60 days to correct any remaining imbalances. After his period has elapsed, GTN shall have the right to retain any negative imbalance quantity without compensation to the Shipper and shall assess a charge of \$5/Dth for any positive imbalance quantity as applicable.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

21. BALANCING (Continued)

- 21.2 Imbalance determinations as described above will be performed on a daily basis and each daily occurrence will constitute a separate incident. It is recognized and understood that more than one penalty provision may apply to each imbalance incident.

Imbalance and overrun penalties will be based on the lesser of the impact from operational or actual data. In the event that any penalty would otherwise be applicable under these provisions as a direct consequence of any action or failure to take action by GTN or the failure of any facility under GTN's control, or an event of force majeure as defined in these Transportation General Terms and Conditions, said penalty shall not apply.

- 21.3 Interruptible Shippers will be notified whether penalties will apply on the day their volumes are reduced. GTN shall waive non-critical penalties for bumped shippers on the day of the bump. Waiver of non-critical penalties shall not relieve the shipper from the obligation to take corrective action to eliminate ongoing imbalances.
- 21.4 The payment of a penalty in dollars pursuant to this Paragraph 21 shall under no circumstances be considered as giving any Shipper the right to deliver or take overrun quantities.
- 21.5 Upon termination of a Service Agreement, Shipper shall have 60 days to correct any remaining imbalances. After this period has elapsed, GTN shall have the right to retain any positive imbalance quantity without compensation to the Shipper. For negative imbalance quantities, GTN shall charge an amount equal to one hundred ten percent (110%) of the average of the daily midpoint prices reported for Malin, Oregon as published in the daily price survey by Platts Gas Daily for the month in which the imbalance is cashed out.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

21. BALANCING (Continued)

- (f) Imbalance Netting: A Shipper may net imbalances between its service agreements, provided that GTN will be reimbursed for any transportation and fuel necessary to effectuate such netting. Resolution of imbalances by netting the Shipper's service agreements shall be scheduled with GTN using the nomination process.
- (g) Imbalance Trading:
  - (1) A Shipper, or its agent, may trade imbalances with other Shippers, their agents or other third-party firms that may conduct imbalance trading for Shippers, provided that GTN will be reimbursed for any transportation and fuel necessary to effectuate such trading. Resolution of imbalances by trading imbalances between Shippers shall be scheduled with GTN using the nomination process.
  - (2) Any trading of imbalances must result in each Shipper's imbalance decreasing.
  - (3) GTN shall process all imbalance trades at no additional administrative charge.
- (h) Posting Imbalance Trades:
  - (1) GTN shall provide free of charge an "Imbalance Trading" location on its Internet website to allow posting of imbalances to facilitate trading.
  - (2) GTN shall post a Shipper's imbalance if the Shipper provides written authorization to GTN authorizing it to post such imbalance information on the "Imbalance Trading" section of its Internet website.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

22. ANNUAL CHARGE ADJUSTMENT (ACA) PROVISION

- 22.1 Purpose: GTN shall recover from Shippers the annual charge assessed to GTN by the Federal Energy Regulatory Commission for budgetary expenses pursuant to Section 154.38(d)(6) of the Commission's regulations and Order No. 472 issued May 29, 1987. GTN shall recover this charge by means of an Annual Charge Adjustment (ACA); a per unit rate equivalent to the unit rate assessed against GTN by the Commission shall be included in GTN's transportation rates. (During the period that this ACA provision is in effect, GTN shall not recover in a Natural Gas Act Section 4 rate case annual charges recorded in FERC Account No. 928 assessed to GTN by the Commission pursuant to Order No. 472.)
- 22.2 Filing Procedure: The notice period and proposed effective date of filings pursuant to this paragraph shall be as permitted under Section 4 of the Natural Gas Act; provided, however, that any such filing shall not become effective unless they become effective without suspension or refund obligation.
- 22.3 ACA Unit Rate Adjustment: GTN's ACA unit rate shall be the unit rate used by the Commission to determine the annual charge assessment to GTN, and shall be reflected in the Statement of Effective Rates and Charges of this FERC Gas Tariff, Third Revised Volume No. 1-A.
- 22.4 Affected Rate Schedules: The ACA provision shall apply to all Transportation services that involve the physical movement of gas.

23. INFORMATIONAL POSTINGS

GTN shall post on its Internet website its procedures for implementation of and compliance with the Commission's Standards of Conduct regulations. All information required to be posted pursuant to such regulations, including, but not limited to, organizational charts, information on shared facilities and shared operating personnel, discounts granted, and notices of waivers and/or exercises of discretion in the application of tariff provisions, will be provided on GTN's Internet website under "Informational Postings." Such information will be updated as required by applicable regulation(s) issued by the Commission.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

24. COMPLAINT PROCEDURES

- 24.1 Any Shipper or potential Shipper may register a complaint regarding requested or provided transportation service. The complaint may be communicated to GTN primarily by electronic mail through GTN's Internet website and secondarily either orally, and/or in writing. Oral complaints should be made to GTN's Director, Commercial Services, telephone (832) 320-5257. Written complaints should be sent via registered or certified mail, facsimile (FAX No. (832) 320-6257), or hand delivered to:

Gas Transmission Northwest Corporation  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Director, Commercial Services

Oral, written and electronically submitted complaints must contain the following minimum information:

- Shipper or potential Shipper's name, address, and FAX and telephone numbers;
- Shipper or potential Shipper's contact representative;
- A clear, concise statement of the complaint.

Each complaint will be recorded in GTN's Transportation Service Complaint Log maintained by GTN's Commercial Services located in Houston, Texas.  
Complaints will be logged by date and time received by GTN.

- 24.2 GTN will initially respond to each complaint within forty-eight (48) hours after GTN receives it. GTN will provide a written response to each complaint within thirty (30) days after GTN receives it. GTN's written response will be sent to Shipper or potential Shipper by certified or registered mail. If the complaint was filed by electronic mail, then GTN shall respond via electronic mail. A copy of all complaints will be filed in the Transportation Service Complaint Log.

(Continued)



TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

25. INFORMATION CONCERNING AVAILABILITY AND PRICING OF TRANSPORTATION  
SERVICE AND CAPACITY AVAILABLE FOR TRANSPORTATION

25.1 Any affiliated or nonaffiliated Shipper or potential Shipper may obtain information concerning the availability and pricing of GTN's transportation services and the pipeline capacity available for transportation by:

(a) Contacting GTN at:

Gas Transmission Northwest Corporation  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Phone: 503/833-4300, Option 2

Inquiries may be made orally or in writing.  
Upon request, GTN will provide to any Shipper or potential Shipper a copy of its FERC Gas Tariff, Third Revised Volume No. 1-A, as well as any published notices concerning discounts then available to existing Shippers on the GTN system.

(b) Accessing GTN's Internet website through [www.gastransmissionnw.com](http://www.gastransmissionnw.com). The Internet website provides current information concerning the availability and pricing of transportation service on the GTN system, including all effective rates and discount notices, and capacity available for transportation.

(d) Accessing GTN's capacity postings under the capacity option in the info postings menu of GTN's Internet website at [www.gastransmissionnw.com/info post/](http://www.gastransmissionnw.com/info post/).

25.2 The procedures to be followed by a potential Shipper requesting transportation service from GTN or by an existing Shipper requesting an amendment to its existing service or additional service from GTN are specified in Paragraph 18 of these Transportation General Terms and Conditions.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

25. INFORMATION CONCERNING AVAILABILITY AND PRICING OF TRANSPORTATION  
SERVICE AND CAPACITY AVAILABLE FOR TRANSPORTATION (Continued)

25.3 The procedures to be followed by Shippers for submitting  
nominations for transportation service are specified in  
Paragraph 19 of these Transportation General Terms and  
Conditions.

26. MARKET CENTERS

The Market Center is defined as a point of interconnection between  
GTN and other pipelines and local distribution companies.  
GTN shall provide for Market Centers on GTN. Parties  
wishing to use Market Centers on the GTN system shall contact  
GTN for this service. At these Market Centers, entities may  
trade gas quantities without actively shipping the gas either  
upstream or downstream of the Market Center. Such entities must  
nominate for the gas transactions in accordance with the nomination  
procedures of the Transportation General Terms and Conditions of  
Third Revised Volume No. 1-A. An entity's nomination for upstream  
supply and downstream delivery must match the corresponding upstream  
Shipper nomination and the downstream customer request.

(Continued)

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Superseding: Original Sheet No. 174

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

27. PLANNED GTN CAPACITY CURTAILMENTS AND INTERRUPTIONS

- 27.1      When GTN needs to temporarily curtail or interrupt service to any Shipper hereunder for the purpose of making planned alterations or repairs, GTN shall give Shipper as much notice as possible of the process so that each Shipper's firm transportation requirements are taken into account in the planning process.
- 27.2      In the spring of each year GTN shall publish on its Internet website to all Shippers a schedule of planned major maintenance and repairs which affect system capacity. The schedule shall show the estimated delivery point capacity for the next 12 months.
- 27.3      On a daily basis GTN shall post, on its Internet website, capacity for each forthcoming gas day plus the estimated capacity for the next two gas days.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE

28.1 Eligibility to Release

Any firm Shipper which contracts for firm transportation service under Part 284 of the Commission's regulations (Releasing Shipper) is eligible to release all or part of its capacity (Parcel) for use by another party (Replacement Shipper). Any Replacement Shipper which has previously contracted for a Parcel may also release its capacity to another party as a secondary release subject to the terms and conditions described herein.

Upon releasing a Parcel, consistent with the terms and conditions described herein, all Releasing Shippers shall remain ultimately liable for all reservation charges billable for the originally contracted service. The Releasing Shipper, whether a primary or secondary capacity holder, must post the capacity it seeks to release on GTN's Internet website prior to the close of the Posting Period defined herein.

A Releasing Shipper may release all or a portion of its capacity for the remaining term of its contract on either a temporary or permanent basis. In the event of a permanent capacity release by a Shipper paying the maximum recourse rate, the Right of First Refusal is conveyed to the Replacement Shipper for that portion permanently released. GTN may not unreasonably refuse to relieve a Releasing Shipper of liability under its contract and extinguish Releasing Shipper's contractual obligations to GTN with respect to that portion requested to be permanently released provided that: 1) the Replacement Shipper is creditworthy pursuant to GTN's credit standards; and 2) the rate paid by the Replacement Shipper is no less than either the rate contracted between the Releasing Shipper and GTN for the remaining term of the contract or the maximum tariff rate, whichever is less. GTN may refuse to allow a permanent capacity release if it has a reasonable basis to conclude that it will not be financially indifferent to the release. If Shipper's request to permanently release capacity is denied by GTN, GTN shall notify Shipper via e-mail and shall include in the notification the reasons for such denial.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.2 Types of Release

A Releasing Shipper may release a Parcel for a term (Release Term) up to or equivalent to the remaining term under its service agreement with GTN. No rate cap applies to releases of capacity for a period of one year or less only when the release is to take effect on or before one year from the date on which the pipeline is notified of the release. Types of releases include:

NON-PREARRANGED - BIDDING REQUIRED

- (1) Capacity releases that are not prearranged require bidding.

PREARRANGED RELEASES - BIDDING REQUIRED

- (1) Unless capacity is released pursuant to either an asset management agreement or a state-approved retail access program, releases with terms greater than thirty-one (31) days and up to one year require bidding. This type of release allows a right of first refusal for the prearranged bidder. Bidding is pursuant to the methodology selected by the Releasing Shipper.
- (2) Unless capacity is released pursuant to either an asset management agreement or a state-approved retail access program, releases with terms greater than one year at a rate that is less than the maximum applicable tariff rate require bidding up to the maximum applicable tariff rate. This type of release allows a right of first refusal for the prearranged bidder. Bidding is pursuant to the methodology selected by the Releasing Shipper.

PREARRANGED RELEASES - BIDDING NOT REQUIRED

- (1) Releases for any period of thirty-one (31) days or less do not require bidding. Unless capacity is released pursuant to either an asset management agreement or state-approved retail access program, a firm shipper may not roll over, extend, or in any way continue the release to the same replacement shipper using the 31 days or less bidding exemption until 28 days after the first release period has ended. The 28-day hiatus does not apply to any re-release to the same replacement shipper that is posted for bidding or that qualifies for any of the other exemptions from bidding set forth herein.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.2 Types of Release (Continued)

PREARRANGED RELEASES - BIDDING NOT REQUIRED (continued)

- (2) A release for more than one year at the maximum applicable tariff rate does not require bidding.
- (3) A permanent release of a long-term contract at the maximum applicable tariff rate when the remaining term is less than three hundred and sixty-five (365) days does not require bidding.
- (4) Asset Management Agreements. A release of capacity to an Asset Manager is exempt from bidding if the release contains a condition that the Releasing Shipper may call upon the Replacement Shipper to deliver to or purchase from the Releasing Shipper a volume of gas up to 100 percent of the daily contract demand of the released transportation capacity. If the capacity release is for a period of one year or less, the Asset Manager's delivery or purchase obligation must apply on any day during a minimum period of the lesser of five months (or 155 days) or the term of the release. If the capacity release is for a period of more than one year, the Asset Manager's delivery or purchase obligation must apply on any day during a minimum period of five months (or 155 days) of each twelve-month period of the release, and on five-twelfths of the days of any additional period of the release not equal to twelve months.

Payments or other consideration exchanged between the Releasing and Replacement Shippers in a release to an Asset Manager are not subject to the maximum rate.

- (5) Retail Access Programs. A release to a marketer participating in a state-regulated retail access program is exempt from bidding when the released capacity will be utilized by the Replacement Shipper to provide the gas supply requirement of retail customers pursuant to a retail access program approved by the state agency with jurisdiction over the local distribution company that provides delivery service to such retail customers.

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.3 Notice Requirements

Any Releasing Shipper electing to release capacity shall submit a notice via GTN's EBB that it elects to release firm capacity. The notice shall set forth the following information:

- (a) Releasing Shipper's legal name, contract number, and the name, title, address, telephone number, and fax number of the individual responsible for authorizing the release of capacity.
- (b) Rate schedule of the Releasing Shipper.
- (c) In accordance with NAESB Standard 5.3.26, Version 1.8, Releasing Shipper has choice to specify dollars and cents or percents of maximum tariff rate in the denomination of bids and all transportation service providers should support this. Once the choice is made by the Releasing Shipper, the bids should comport with the choice. In accordance with NAESB Standard 5.3.27, Version 1.8, for purposes of bidding and awarding, maximum/minimum rates specified by the Releasing Shipper should include the tariff reservation rate and all demand surcharges, as a total number or as stated separately. If a volumetric rate is used, Releasing Shipper must indicate whether bids on a reservation charge basis will be accepted as well and if so must specify the method of evaluating the two types of bids. Releasing Shipper also should indicate whether bids will be accepted on a dollar basis or as a percentage of the Releasing Shipper's as-billed rate.
- (d) Daily quantity of capacity to be released, expressed in Dth/d, at the designated delivery point(s). (This must not exceed Releasing Shipper's maximum contract demand available for capacity release and shall state the minimum quantity expressed in Dth/d acceptable for release.)

(Continued)

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FERC Docket: RP04- 23-000

Original Sheet No. 178 Original Sheet No. 178 : Superseded

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.3 Notice Requirements (Continued)

- (e) The term of the release, identifying the date release is to begin and terminate. The minimum release term acceptable to GTN shall be one day.
- (f) Whether the Releasing Shipper is willing to consider release for a shorter period of time than that specified in (e) above and if so, the minimum acceptable period of release.
- (g) The receipt and delivery point.
- (h) Whether Option 1, 2, or 3 shall be used to determine the highest valued bid (see Section 28.7(a) for a description of bid evaluation options 1, 2 and 3).
- (i) Whether the Releasing Shipper wants GTN to market its released capacity.
- (j) Whether the Releasing Shipper requests to waive the creditworthiness requirements and agrees in such event to remain liable for all charges, or, if the release is for one year (365 days) or less, whether Releasing Shipper requests that the creditworthiness provisions of Paragraph 18.3(A) (1) (c) shall apply.
- (k) Whether Releasing Shipper is a marketing or other affiliate of GTN.
- (l) If release is a prearranged release, the Prearranged Shipper must be qualified pursuant to the criteria of Paragraph 28.6(a) unless waived above. Releasing Shipper shall include the Prearranged Shipper bid information pursuant to Paragraph 28.6(b) with its release information and shall indicate whether the Prearranged Shipper is affiliated with GTN or the Releasing Shipper.
- (m) Any special nondiscriminatory terms and conditions applicable to the release.

(Continued)



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Original Sheet No. 179 Original Sheet No. 179 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.3 Notice Requirements (Continued)

- (n) Tie-breaker method preferred: (1) pro rata, (2) lottery, (3) order of submission (first-come/first-serve). If none are selected, the system defaults to pro rata.
- (o) Recall provisions. These provisions must be objectively stated, nondiscriminatory, applicable to all bidders, operationally and administratively feasible as determined by GTN and in accordance with GTN's tariff.
- (p) The minimum rate (percentage of: reservation charge or a volumetric equivalent of the maximum reservation charge applicable to the Parcel on a 100% load-factor basis) acceptable to Releasor for this Parcel. Releasing Shipper also should indicate whether bids will be accepted on a dollar basis or as a percentage of the Releasing Shipper's as-billed rate.
- (q) Whether the Releasing Shipper is willing to accept contingent bids that extend beyond the close of the Bid Period and, if so, any nondiscriminatory terms and conditions applicable to such contingencies including the date by which such contingency must be satisfied (which date shall not be later than the last day upon which GTN must award capacity) and whether, or for what time period, the next highest bidder(s) will be obligated to acquire the capacity should the winning contingent bidder be unable to satisfy the contingency specified in its bid.
- (r) Whether the Releasing Shipper wants to specify a longer bidding period for its Parcel than specified at Paragraph 28.8.

(Continued)

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**First Revised Sheet No. 180** First Revised Sheet No. 180 : Effective  
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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.4        Marketing of Capacity Fee

GTN may act as a facilitator between a Releasing Shipper and a Replacement Shipper(s) that wishes to contract for that Releasing Shipper's capacity. All such Parcels must be posted on the EBB initially. A posting of a Parcel facilitated by GTN will include both the Parcel by the Releasing Shipper and the bid by the Prearranged Shipper. A marketing of capacity fee shall be negotiated between GTN and Releasing Shipper in a nondiscriminatory manner. Such a fee will apply when: a Releasing Shipper requests GTN to market released capacity, GTN actively markets such capacity beyond posting on the EBB, and such marketing results in capacity being released to a Replacement Shipper.

28.5        Posting of a Parcel

The posting of a Parcel constitutes an offer to release the capacity provided a willing Replacement Shipper submits a valid bid consistent with GTN's Transportation General Terms and Conditions. The posting must contain the information contained in Paragraph 28.3. Any specific conditions posted by the Releasing Shipper must be operationally feasible, nondiscriminatory to other shippers, and in conformance with GTN's tariffs. If the Parcel is being released as a secondary release, then any recall provisions included in the primary release which may affect the re-release of this capacity must be included in the terms and conditions of the secondary release. Each Parcel will be reviewed by GTN prior to posting on the Internet website for bidding. The receipt of a valid release will be acknowledged by the issuance of a release confirmation to the Releasing Shipper's e-mail address by GTN.

It is the Releasing Shipper's sole responsibility to provide release and Prearranged Shipper bid information in advance of the close of the Posting Period.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.5 Posting of a Parcel (Continued)

Releasing Shippers who elect to release capacity based on nondiscriminatory recall provisions and/or special terms and conditions are required to submit their request to release capacity by at least two business days before the close of the Posting Period as stated in Section 28.8. This is to ensure adequate time for GTN to review and validate that any recall and/or special terms and conditions are not discriminatory.

All Prearranged Shipper bids are subject to the Prearranged Shipper(s) meeting the preliminary qualifications as defined in Paragraph 28.6(a) for Replacement Shippers.

A Parcel may be revised or withdrawn by the Releasing Shipper at any time prior to the close of the Posting Period. A Parcel cannot be revised after the close of the Posting Period. In accordance with NAESB Standard 5.3.14, Version 1.8 offers should be binding until written or electronic notice of withdrawal is received by the capacity release service provider. Parcels may be withdrawn subsequent to the close of the Posting Period and up until the close of the Bid Period only in situations where the Releasing Shipper has an unanticipated need for the capacity and no minimum bid has been made. In such instances, Releasing Shipper shall notify GTN electronically of its need to withdraw the Parcel due to an unanticipated need for the capacity. The withdrawal or revision of a Parcel will terminate all bids submitted for that Parcel to date. Replacement Shippers will need to resubmit their bids for the Parcel if the Parcel is resubmitted for release.

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*FERC Docket: RP04- 23-000*

**Sheet No. 182** Sheet No. 182 :    Effective

Reserved For Future Use

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**Original Sheet No. 183** Original Sheet No. 183 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.6 Bidding for a Parcel

(a) Preliminary Qualification

Replacement Shippers are encouraged to pre-qualify in advance of any postings on GTN's EBB as credit requirements will take differing amounts of time to process depending on the particular financial profile of Replacement Shippers. The pre-qualification process will authorize a pre-set maximum monthly financial exposure level for the Replacement Shipper. Such exposure levels may be adjusted by GTN periodically re-evaluating a Replacement Shipper's credit-worthiness.

Releasing Shippers may exercise their option to waive the credit requirements for any Replacement Shipper wishing to bid on a Parcel posted by that Releasing Shipper. Such waiver must be made on a nondiscriminatory basis. GTN must be informed of such waiver via the EBB before it will authorize such Replacement Shipper's participation with respect to that particular Parcel. In this instance, no pre-set maximum monthly financial exposure level is applicable.

Should a Releasing Shipper waive the credit requirements for a Replacement Shipper, the Releasing Shipper shall be liable for all charges incurred by the Replacement Shipper in the event such Replacement Shipper defaults on payment to GTN for such capacity release service.

(Continued)

**First Revised Sheet No. 184** First Revised Sheet No. 184 : Effective  
Superseding: Original Sheet No. 184

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.6 Bidding for a Parcel (Continued)

(a) Preliminary Qualification (Continued)

Any potential Replacement Shipper may submit a bid for parcels posted for release. GTN will determine the highest valued bid, based on the bid evaluation method selected by the Releasing Shipper, and verify that the Shipper placing the bid meets GTN's credit requirements before awarding the parcel. Upon notification by GTN of an award of a Parcel, GTN shall complete a new FTS-1 or LFS-1 contract with the particulars of the awarded Parcel and Replacement Shipper shall execute this new contract electronically through the use of an authorization code procedure on the EBB.

Once a Replacement Shipper has acquired capacity, authority is granted to the Replacement Shipper to release that capacity, unless the Releasing Shipper has specified that the Parcel cannot be re-released.

The execution of the FTS-1 or LFS-1 service agreement will constitute an obligation on the part of the Replacement Shipper to be bound by the terms and conditions of GTN's capacity release program as set forth in these Transportation General Terms and Conditions.

(b) Submitting a Bid

All bids must be submitted through the use of GTN's EBB. Such bids shall be "open" for all participants to review. The particulars of all bids will be available for review but not the identity of bidders. GTN will post the identity of the winning bidder(s) only.

A Replacement Shipper cannot request that its bid be "closed", nor can a Releasing Shipper specify that "closed" bids be submitted on its releases. A Replacement Shipper may submit only one bid per Parcel posted at any one point in time. Bids received after the close of the Bid Period shall be invalid. The Replacement Shipper may bid for no more than the quantity of the Parcel posted by the Releasing Shipper. Simultaneous bids for more than one Parcel are permitted.

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.6 Bidding for a Parcel (Continued)

(b) Submitting a Bid (Continued)

A valid bid to contract for a Parcel must contain the following information:

- (1) Replacement Shipper's legal name, address, telephone and fax numbers and the name and title of the individual responsible for authorizing the bid.
- (2) The identification of the Parcel bid on.
- (3) Term of service requested. The term of service must not exceed the term included in the Parcel.
- (4) Percentage of the applicable maximum rate, as identified in the Parcel, that Replacement Shipper is willing to pay, or price in dollars and cents per Dth/d, that the Replacement Shipper is willing to pay. A Replacement Shipper may not bid below the minimum applicable charge or rate.
- (5) The quantity desired not to exceed the quantity contained in the Parcel, expressed on a Dth/d delivered basis and greater than the minimum quantity acceptable to Replacement Shipper.
- (6) Whether or not Replacement Shipper is an affiliate of the Releasing Shipper.
- (7) A statement as to whether or not Replacement Shipper is an affiliate of the Releasing Shipper.

(Continued)

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**Third Revised Sheet No. 186** Third Revised Sheet No. 186

Superseding: Second Revised Sheet No. 186

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.6 Bidding for a Parcel (Continued)

(b) Submitting a Bid (Continued)

(8) An affirmative statement that Replacement Shipper agrees to be bound by the terms and conditions of Rate Schedule FTS-1 and GTN's capacity release provisions in its tariff.

(9) Whether the bid is a contingent bid and the contingencies which must be satisfied by the date specified by the Releasing Shipper in its posting of the Parcel.

(c) Confirmation of Bids

It is the Replacement Shipper's sole responsibility to confirm the correctness of the submitted bid and to take any corrective action necessary by resubmitting a bid when notified of an invalid or incomplete bid by GTN. This must be done before the close of the Bid Period.

(d) Withdrawn or Revision of Bids

A previously submitted bid may be withdrawn or revised and resubmitted at any time prior to the close of the Bid Period with no obligation on the Replacement Shipper's part. In accordance with NAESB Standard 5.3.15, Version 1.8, bids cannot be withdrawn after the bid period ends. Resubmitted bids must be equal to or greater in value than the initial bids. Lower valued bids will be invalid. In accordance with NAESB Standard 5.3.13, Version 1.8, bids should be binding until written or electronic notice of withdrawal is received by the capacity release service provider.

(Continued)



**Fourth Revised Sheet No. 187** Fourth Revised Sheet No. 187  
Superseding: Third Revised Sheet No. 187

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.7 Allocation of Parcels

(a) Primary Allocation

In accordance with NAESEB Standard 5.3.3, Version 1.8, winning bids for Parcels shall be awarded based on one of the following three (3) options to be selected by the Releasing Shipper when posting a Parcel:

Option 1 - Highest Rate Equivalent

Bids will be given priority based on the maximum rate bid as represented by (1) a Replacement Shipper's bid of the percentage of the maximum authorized reservation charge or a volumetric equivalent of the maximum reservation charge applicable to the Parcel on a 100% load factor basis, or (2) a Replacement Shipper's bid in terms of absolute dollars and cents per Dth. A bid queue will be maintained for each individual Parcel.

Option 2 - Present Value

Bids will be given priority based on the net present value of the bid according to the following formula:

$$\text{Present Value per} = P * R * \frac{(1 + i)^n - 1}{i (1 + i)^n}$$

where: P = percent of the maximum authorized rate or charge that the Replacement Shipper is willing to pay.

(Continued)

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**First Revised Sheet No. 188** First Revised Sheet No. 188

Superseding: Original Sheet No. 188

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.7 Allocation of Parcels (Continued)

(a) Primary Allocation (Continued)

R = Rate or charge calculated as: The applicable maximum authorized reservation charge(s) per Dth [or a volumetric equivalent of the maximum reservation charge(s) applicable to the Parcel on a 100% load factor basis] in effect at the time of the bid for service from the same receipt point to the same delivery point under the Releasing Shipper's rate schedule.

For short-term capacity releases not subject to a rate cap,  $P * R$  shall equal a Replacement Shipper's bid in terms of absolute dollars and cents per Dth.

$i$  = FERC's annual interest rate divided by 12.

$n$  = number of periods for which the bidder wishes to contract, not to exceed the maximum periods to be released by the Releasing Shipper. For releases greater than or equal to one month, the period is the number of months. For releases less than one month the period is the number of days.

A bid queue will be maintained for each individual Parcel.

Option 3 - Net Revenue. Bids will be given priority based on the net revenue for the term of the bid.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.7 Allocation of Parcels (Continued)

(a) Primary Allocation (Continued)

If Releasing Shipper does not specify an option for determining best bid, Option 2 will be the default option used.

Under all options, GTN will evaluate and rank all bids for Parcels.

(b) Right of First Refusal

In the event of a Prearranged Shipper's bid for a Parcel, pursuant to the methodology specified by the Releasing Shipper, if the bid submitted by a subsequent Replacement Shipper exceeds the value of the Prearranged Shipper's bid, the Prearranged Shipper will be allowed to match the higher valued bid. The Prearranged Shipper will be allowed a match period, as specified in Section 28.8, to match the higher valued bid, otherwise, the allocation will be awarded to subsequent Replacement Shipper(s) in accordance with the primary and secondary allocation mechanisms.

(c) Secondary Allocation

To the extent there is more than one Replacement Shipper submitting a winning bid, the Parcel shall be allocated based on one of the following tie-breaker methodologies to be selected by the Releasing Shipper: pro rata, lottery, or order of submission (first come/first serve).

(Continued)

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FERC Docket: RP04- 23-000

**Original Sheet No. 190** Original Sheet No. 190 : Superseded

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.7 Allocation of Parcels (Continued)

(d) Confirmation of Allocation

Upon each completion of an allocation, the successful Replacement Shipper(s) will be notified of the terms under which they have contracted for the awarded Parcel. The notification will be provided in the form of an e-mail to the Replacement Shipper(s). The notice will include the Replacement Shipper's Rate Schedule FTS-1 or LFS-1 service agreement number and the pertinent terms of the Replacement Shipper's bid as well as any additional terms specified by the Releasing Shipper. The Releasing Shipper will be notified of the terms under which its Parcel has been awarded. The notification will be provided in the form of an e-mail to the Releasing Shipper. The notification will include all of the pertinent terms of the Releasing Shipper's parcel.

(e) Purging of Expired Bids

All unfulfilled bids, as well as any unfulfilled portions of bids which receive a partial award, will become ineffective as of the completion of bid reconciliation and the close of the Bid Period. Each unsuccessful Replacement Shipper which has bid shall receive a notice by e-mail indicating the ineffectiveness of the bid.

(Continued)

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**Second Revised Sheet No. 191** Second Revised Sheet No. 191

Superseding: First Revised Sheet No. 191

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.7 Allocation of Parcels (Continued)

(e) Purging of Expired Bids (Continued)

Information regarding all bids for all Parcels shall be archived off-line before being purged from the system.

28.8 Scheduling of Parcels, Bids and Notifications

In accordance with NAESB Standard 5.3.2, Version 1.8, the following timelines apply to capacity release transactions.

For biddable releases (less than 1 year):

- offers should be tendered by 12:00 P.M. CCT (10:00 A.M. PCT) on a Business Day;
- open season ends no later than 1:00 P.M. CCT (11:00 A.M. PCT) on a Business Day (evaluation period begins at 1:00 P.M. CCT (11:00 A.M. PCT) during which contingency is eliminated, determination of best bid is made, and ties are broken);
- evaluation period ends and award posting if no match required at 2:00 P.M. CCT (12:00 P.M. PCT);
- match or award is communicated by 2:00 P.M. CCT (12:00 P.M. PCT);
- match response by 2:30 P.M. CCT (12:30 P.M. PCT);
- where match is required, award posting by 3:00 P.M. CCT (1:00 P.M. PCT);
- 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.

(Continued)

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**Original Sheet No. 192** Original Sheet No. 192 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.8 Scheduling of Parcels, Bids and Notifications (Continued)

For biddable releases (1 year or more):

- offers should be tendered by 12:00 P.M. CCT (10:00 A.M. PCT) four Business Days before award;
- open season ends no later than 1:00 P.M. CCT (11:00 A.M. PCT) on the Business Day before timely nominations are due (open season is three Business Days);
- evaluation period begins at 1:00 P.M. CCT (11:00 A.M. PCT) during which contingency is eliminated, determination of best bid is made, and ties are broken;
- evaluation period ends and award posting if no match required at 2:00 P.M. CCT (12:00 P.M. PCT);
- match or award is communicated by 2:00 P.M. CCT (12:00 P.M. PCT);
- match response by 2:30 P.M. CCT (12:30 P.M. PCT);
- where match required, award posting by 3:00 P.M. CCT (1:00 P.M. PCT);
- 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.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.8 Scheduling of Parcels, Bids and Notifications (Continued)

For non-biddable releases:

Timely Cycle

- posting of prearranged deals not subject to bid are due by 10:30 A.M. CCT (8:30 A.M. PCT);
- 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.

Evening Cycle

- posting of prearranged deals not subject to bid are due by 5:00 P.M. CCT (3:00 P.M. PCT);
- 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.

Intraday 1 Cycle

- posting of prearranged deals not subject to bid are due by 9:00 A.M. CCT (7:00 A.M. PCT);
- 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.

Intraday 2 Cycle

- posting of prearranged deals not subject to bid are due by 4:00 P.M. CCT (2:00 P.M. PCT);
- 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.

(Continued)

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**Third Revised Sheet No. 194** Third Revised Sheet No. 194

Superseding: Second Revised Sheet No. 194

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.9 Capacity Recall and Reput

28.9(a) Capacity Recall

Releasing Shipper(s) may, to the extent permitted as a condition of capacity release, recall released capacity (scheduled or unscheduled) at the Timely Nomination cycle and the Evening Nomination cycle, and recall unscheduled released capacity at the Intra-Day 1 and Intra-Day 2 Nomination cycles by providing notice to the Transporter by the following times for each cycle: 8:00 A.M. CCT (6:00 A.M. PCT) for the Timely Nomination cycle; 5:00 P.M. CCT (3:00 P.M. PCT) for the Evening Nomination cycle; 8:00 A.M. (6:00 A.M. PCT) for the Intra-Day 1 Nomination cycle; and 3:00 P.M. (1:00 P.M. PCT) for the Intra-Day 2 Nomination cycle. In accordance with NAESB Standard 5.3.55, Version 1.8, recall quantities should be expressed in terms of adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. Notification to replacement shippers shall be provided by Transporter within one hour of receipt of recall notification.

28.9(b) Capacity Reput

In accordance with NAESB Standard 5.3.7, Version 1.8, capacity that has been recalled by the Releasing Shipper may be reput to the Replacement Shipper in accordance with the reput provisions of the release (See Section 28.3(o)). Shipper seeking to reput capacity shall notify GTN of the reput by 8:00 A.M. Central Clock Time (6:00 A.M. PCT). It is the Releasing Shipper's obligation to notify and secure any necessary agreement by the Replacement Shipper to accept the reput under the terms of the release prior to notifying GTN.

28.9(c) In accordance with NAESB Standard 5.3.8, Version 1.8, reput method and rights should be specified at the time of the deal. Reput method and rights are individually negotiated between the Releasing Shipper and Replacement Shipper.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.10 Crediting, Billing Adjustments and Refunds

(a) Eligibility

GTN shall provide revenue credits to any Releasing Shipper which releases capacity to a Replacement Shipper pursuant to the provisions of Paragraph 28. GTN and Shipper may, in connection with a Negotiated Rate Agreement under a firm rate schedule, agree upon payment obligations and crediting mechanisms in the event of a capacity release that vary from, or are in addition to, those set forth in this Section 28.10; provided, however, that terms and conditions of service may not be negotiated.

(b) Monthly Crediting Procedure

Revenue credits for released capacity shall be credited monthly as an offset to a Releasing Shipper's reservation charge (or the volumetric equivalent of the reservation charge on a 100% load-factor basis applicable to the Releasing Shipper. This shall also be referred to in this Paragraph 28.9 as the equivalent volumetric rate) payable to GTN under the applicable rate schedule for the service that has been released. GTN shall credit each month to the Releasing Shipper's account 100% of the revenues from the charges invoiced to the Replacement Shipper(s) for the reservation charge (or equivalent volumetric rate).

(c) Billing Adjustments

GTN shall apply the revenues received from Replacement Shippers to the reservation charge (or equivalent volumetric rate).

(Continued)

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.10 Crediting, Billing Adjustments and Refunds (Continued)

(c) Billing Adjustments (Continued)

Should Replacement shipper default on payment to GTN of the reservation charge (or equivalent volumetric rate) GTN shall bill Releasing Shipper for such unpaid charges and apply interest to such adjustments in accordance with the provisions of Paragraph 8 of the Transportation General Terms and Conditions.

(d) Excess Revenue Credits

Releasing Shipper is entitled to excess revenue credits resulting when the reservation charge (or equivalent volumetric rate) revenues actually received by GTN from the Replacement Shipper(s) exceed the reservation charge (or equivalent volumetric rate) revenues which would have been received by GTN from the Releasing Shipper if capacity was not released.

(e) Refunds

GTN shall track all changes in its rates approved by the Commission. In the event the Commission orders refunds of any such rates charged by GTN and previously approved, GTN shall make corresponding refunds to all affected Shippers including Shippers receiving capacity release service

In such instances when rates to Replacement Shippers are reduced, GTN shall make corresponding adjustments to the crediting of revenues to Releasing Shippers for the period such refunds are payable. For capacity release transactions that are not subject to a rate cap, as described in Section 28.2 of these General Terms and Conditions, the prevailing rate for the transaction shall be considered just and reasonable and the Replacement Shipper(s) shall not be entitled to receive the refunds referenced herein.

(Continued)

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Original Sheet No. 197 Original Sheet No. 197 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.10 Crediting, Billing Adjustments and Refunds (Continued)

- (f) In the event Releasing Shipper's Transportation Service Agreement is terminated pursuant to these Transportation General Terms and Conditions, and thirty (30) days notice has been provided to Replacement Shipper(s), a Replacement Shipper that currently holds temporary release capacity has the right to elect to contract with GTN at the Replacement Shipper's MDQ for the remaining term of its release contract and at the lesser of (1) the Releasing Shipper's original contract rate, or (2) the maximum recourse rate, provided that the Replacement Shipper meets GTN's credit-worthiness standards for Firm Transportation Service. The Replacement Shipper shall make its election by the end of the thirty (30) day notice period.

If a Replacement Shipper does not elect to contract with GTN at its replacement MDQ for the remaining term of its release contract and at the rate level that the Releasing Shipper originally contracted for, GTN shall have the right to terminate the Replacement Shipper's Transportation Service Agreement following the election period and offer such capacity through an open season posting that will subject the capacity to competitive bidding. In the event Transporter terminates service, Transporter may exercise all remedies available to it hereunder, at law or in equity.

Replacement Shippers with prospective claims to temporary release capacity will not have rights to such capacity. Prospective claims to permanent releases of capacity will be honored to the extent that a Replacement Shipper meets GTN's credit-worthiness standards for Firm Transportation Service.

(Continued)

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**Third Revised Sheet No. 198** Third Revised Sheet No. 198

Superseding: Second Revised Sheet No. 198

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

28. CAPACITY RELEASE (Continued)

28.11 Adoption of NAESB Capacity Release Standards

The following NAESB Standards are adopted by, and clarify, the capacity release provisions set forth in this Section 28. Unless otherwise specified, all standards are Version 1.8:

5.3.1, 5.3.4; 5.3.5; 5.3.9; 5.3.11; 5.3.12; 5.3.16; and 5.3.19.

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**Original Sheet No. 200** Original Sheet No. 200 : Superseded

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

29. FLEXIBLE RECEIPT AND DELIVERY POINTS

29.1 Firm Service

(a) Addition of a Receipt Point

Any firm Shipper receiving service under Part 284 of the Commission's regulations is entitled to use the receipt point specified in its service agreement as a primary receipt point. A firm Shipper may add a secondary receipt point at any time during the life of the contract provided that secondary receipt point is within the Shipper's Primary Path.

Firm Shippers who are billed under a reservation charge and a delivery rate will continue to be billed reservation charges based on the primary receipt point while delivery rates, including fuel, will be calculated on the receipt point actually used.

To the extent additional meter station capacity or other facilities are required to effect the receipt point change, GTN will construct the additional capacity consistent with Paragraph 18.5.

(b) Changing a Receipt Point

A firm Shipper may change primary receipt points to a different receipt point within its Original Primary Path but will continue to be billed reservation charges based on the original primary receipt point. Changes in receipt points will be permitted provided sufficient receipt point capacity exists at the receiving meter station and subject to any operating constraints. To the extent additional meter station capacity or other facilities are required to effect the receipt point change, GTN will construct the additional capacity at the firm Shipper's expense consistent with Paragraph 18.5.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

29. FLEXIBLE RECEIPT AND DELIVERY POINTS (Continued)

29.1 Firm Service (Continued)

(c) Addition of a Delivery Point

Each firm Shipper is entitled to an allocation of its MDQ to a delivery point(s) as its primary delivery point(s).

A firm Shipper may add secondary delivery points at any time during the life of the contract provided that the secondary delivery points are within the Shipper's Primary Path. In this case, the firm Shipper will continue to be billed any applicable reservation charges based on the primary delivery point; however, delivery rates, including fuel, will be calculated based on the delivery point actually used.

A firm Shipper with primary deliveries allocated to a minor delivery point may add secondary delivery points to its contract provided that the addition of the secondary delivery point does not materially impact service to other firm Shippers.

To the extent additional meter station capacity is required to effect the delivery point(s) change, and subject to any operating constraints GTN will construct the additional capacity consistent with Paragraph 18.5.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

29. FLEXIBLE RECEIPT AND DELIVERY POINTS (Continued)

29.1 Firm Service (Continued)

(d) Changing a Delivery Point

A firm Shipper may change primary delivery points to a different delivery point within its Primary Path but will continue to be billed reservation charges based on the original primary delivery point. A firm shipper may not change its Primary Delivery Point to a location that would change the direction of flow of the Shipper's Primary Path as defined in Section 1.31 of this Gas Tariff. Changes in delivery points will be permitted provided sufficient delivery point capacity exists at the delivery meter station. To the extent additional meter station and subject to any operating constraints capacity is required to effect the delivery point change, GTN will construct the additional capacity at the firm Shipper's expense consistent with Paragraph 18.5.

A firm Shipper with primary deliveries allocated to a minor delivery point may change primary delivery points in its contract provided that the change of primary delivery point does not materially impact service to other firm Shippers.

29.2 Interruptible Service

(a) Change of a Receipt/Delivery Point

Interruptible Shippers will have the right to flexible receipt and delivery points, at a lower priority than firm or released services.

(b) Addition of a Receipt or Delivery Point

Except as otherwise provided in this paragraph, Shippers receiving service under any Part 284 interruptible transportation rate schedule shall be deemed to have access to all receipt and delivery points available under the interruptible transportation rate schedule under which that Shipper is taking service.



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**Sheet Nos. 203 - 207** Sheet Nos. 203 - 207 : Superseded

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**First Revised Sheet No. 204** First Revised Sheet No. 204 : Effective

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

30. OPERATIONAL FLOW ORDER (OFO) PROCEDURES

- 30.1 GTN, in its sole discretion, will have the right to issue OFOs when in its judgment it is necessary to maintain or restore the operational integrity of its system.
- 30.2 Whenever possible, GTN will identify those Shipper(s) or OBA Operator(s) whose action(s) require GTN to issue an OFO and will limit the applicability of the OFO to such Shipper(s)/OBA Operator(s). If GTN is unable to identify those Shipper(s)/OBA Operator(s) whose action(s) require issuance of an OFO, or if issuance of an OFO to discrete Shipper(s)/OBA Operator(s) is insufficient to alleviate the conditions requiring the issuance of such OFO, GTN may issue an additional OFO applicable to all Shippers and OBA Operators on a nondiscriminatory basis.
- 30.3 All OFOs will be posted on GTN's website, to be followed by a facsimile, written notice or other mutually agreeable means of electronic communication to affected Shippers/OBA Operators that will set forth the causes or conditions necessitating the OFO. GTN will issue an OFO as expeditiously as is reasonable and practicable in the circumstances. When practicable, GTN will provide sufficient notice to shippers to accommodate scheduling requirements on upstream pipelines. Each OFO will contain the following provisions:
  - (a) time and date of issuance;
  - (b) time that the OFO is considered to be effective (if no time is specified, the OFO will be effective immediately);
  - (c) duration of the OFO (if not specified, the OFO will be effective until further notice);
  - (d) the quantity of gas required to remedy the operational condition requiring the issuance of the OFO; and
  - (e) any other term GTN may reasonably require to ensure the effectiveness of the OFO.

GTN will post information, as soon as possible, about the status of operational variables that will determine when an OFO will begin and end. GTN will post a notice on its website informing Shipper(s)/OBA Operator(s) when any OFO in effect will be canceled. Following the issuance of an OFO, GTN will post information on the factors that caused the OFO to be issued and then lifted as soon as it is available.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

30. OPERATIONAL FLOW ORDER (OFO) PROCEDURES (Continued)

- 30.4 Except in cases where the curtailment of interruptible services would not alleviate the causes and conditions necessitating the issuance of an OFO, GTN will, where practicable, curtail interruptible services prior to issuing an OFO. GTN shall not be required to curtail interruptible services to individual Shippers when curtailment of service to those Shippers would not affect the OFO.
- 30.5 Upon the issuance of an OFO by GTN, it shall be incumbent upon Shipper/OBA Operator to adjust Gas supplies as directed within the time frame specified in the OFO. Failure to comply in a timely fashion with an OFO may result in an immediate interruption of all or a portion of Shipper's service or service at a point covered by an OBA and cause Shipper/OBA Operator to incur a penalty based on the higher of \$25/Dth or a price per Dth equal to three times the midpoint price reported for Malin, Oregon as published in the daily price survey by Platts Gas Daily for all quantities in excess of that allowed under the OFO for the day on which the penalty is incurred. The payment of unauthorized overrun penalties does not create the right to exceed the levels established by an OFO.
- 30.6 In the event Shipper/OBA Operator does not respond to the OFO and GTN believes it is necessary to take actions such as buying or selling gas to maintain system integrity or to prevent interrupting service to another Shipper, GTN shall have the right, but not the obligation, to take such remedial actions as it deems necessary. If GTN takes these actions, it shall be made whole by the non-responding Shipper/OBA Operator for all costs that GTN incurs either through retention of penalty revenues or by direct reimbursement by Shipper/OBA Operator. GTN shall not be liable for any costs incurred by any Shipper/OBA Operator in complying with an OFO.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

30. OPERATIONAL FLOW ORDER (OFO) PROCEDURES (Continued)

- 30.7 GTN shall not be responsible for any damages that result from any interruption in Shipper's/OBA Operator's service that is a result of Shipper's/OBA Operator's failure to comply promptly and fully with an OFO and the non-complying Shipper(s)/OBA Operator(s) shall indemnify GTN against any claims of responsibility.
- 30.8 Notwithstanding the foregoing, when gas supplies necessary to effectuate transportation deliveries are not flowing on the system, GTN will not be responsible for backing up such supplies and the associated deliveries will be subject to interruption.
- 30.9 Where a nomination is required by GTN to make an effective physical change necessary to comply with an OFO, unless circumstances dictate otherwise, an OFO penalty should not be assessed unless the Shipper/OBA Operator is given the opportunity to correct the circumstance giving rise to the OFO and fails to do so, or the action(s) taken fails to do so. The opportunity to correct the critical circumstance should include the opportunity to:
- (a) make a nomination, which, once confirmed and scheduled would cure the circumstance giving rise to the OFO, or
  - (b) take other appropriate action which cures the circumstance giving rise to the OFO.

A Shipper's response to an OFO should not be constrained by restrictions on the submittal and processing of intra-day nominations.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

31. NEGOTIATED RATES

31.1 Availability. Notwithstanding anything to the contrary contained in this Tariff, including the provisions of the rate schedules contained herein, GTN and Shipper may mutually agree to a Negotiated Rate under any Agreement, provided that Shipper has not acquired its capacity on a temporary basis under the capacity release provisions of Paragraph 28 of these Transportation General Terms and Conditions. If a portion of the capacity under any existing Agreement is agreed to be priced at Negotiated Rates, the existing maximum or discounted tariff rates will continue to apply to the capacity not subject to the Negotiated Rates. As a recourse to the Negotiated Rates, any Shipper may receive service at applicable maximum tariff rates, including surcharges. The Negotiated Rate may be less than, equal to, or greater than the maximum and minimum applicable tariff rate; may be based on a rate design other than straight-fixed variable; and may include a minimum quantity. GTN's Recourse Rates shall be available to any Shipper that does not agree to a Negotiated Rate. Recourse Rates are set forth on the Rate Sheets within this Tariff.

GTN and a Shipper may agree to a Negotiated Rate for the entire term of a Transportation Service Agreement, or may agree to a Negotiated Rate for some portion of the term of a Transportation Agreement. GTN and Shipper may agree to apply the Negotiated Rate to all or a portion of capacity under Shipper's Firm Transportation Service Agreement.

During the period a Negotiated Rate is in place, the Negotiated Rate shall govern and apply to the Shipper's service under the Negotiated Rate Agreement and the otherwise applicable rate, rate component, charge or credit which the parties have agreed to replace with the Negotiated Rate shall not apply to, or be available to, the Shipper. Only those rates, rate components, charges or credits identified by GTN and Shipper in writing as being superceded by a Negotiated Rate shall be ineffective during the period that the Negotiated Rate is effective; all other rates, rate components, charges, or credits prescribed, required, established or imposed by this Rate Schedule or Tariff shall remain in effect. At the end of the period during which the Negotiated Rate is in effect, the otherwise applicable tariff rates or charges shall govern any service provided to Shipper.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

31. NEGOTIATED RATES (Continued)

- 31.2 Filing requirement. Unless GTN executes and files a non-conforming agreement, GTN will submit to the Commission on or before the commencement of service under a Negotiated Rate Contract a tariff sheet stating the exact legal name of the Shipper, Negotiated Rate, the rate schedule, the receipt and delivery points, the contract quantities and, where applicable, the Negotiated Rate Formula underlying a Negotiated Rate for any Negotiated Rate Agreement. The filing will contain a provision that the Negotiated Rate Agreement does not deviate any material respect from the Form of Agreement in the tariff for the applicable rate schedule.
- 31.3 Rate Treatment. GTN shall have the right to seek in future general rate proceedings discount-type adjustments in the design of its rates related to Negotiated Rate Agreements that were converted from pre-existing discount Agreements to Negotiated Rate Agreements. In those situations, GTN may seek a discount-type adjustment based upon the greater of: (a) the Negotiated Rate revenue received; or (b) the discounted tariff rate revenues which otherwise would have been received.
- 31.4 Limitations. This Paragraph 31 does not authorize GTN to negotiate terms and conditions of service.
- 31.5 Capacity Release. Negotiated Rates do not apply as the price cap for capacity release transactions. Further, capacity release bids must conform to GTN's applicable tariff rates, as further described in Section 28.6(b)(4) of these Transportation General Terms and Conditions.
- 31.6 Accounting Treatment. GTN shall maintain separate records for all revenues associated with Negotiated Rate transactions. Transactions related to Negotiated Rate Agreements which originated as a pre-existing discounted service and were subsequently converted will be recorded separately from those originating as Negotiated Rate Agreements. GTN shall record each volume transported, billing determinants, rate component, surcharge, and the revenue associated with its Negotiated Rates so that this information can be filed, separately identified, and separately totaled, as part of and in the format of Statements G, I, and J in GTN's next general rate change application.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

32. RESERVATION OF CAPACITY FOR EXPANSION PROJECTS

Transporter may elect to reserve, for future expansion projects, unsubscribed firm capacity or capacity under expiring or terminating firm transportation agreements where such agreements do not carry a right of first refusal or where Shipper does not exercise its right of first refusal. Transporter may only reserve capacity for a future expansion project for which an open season has been held or will be held within one (1) year of the date that Transporter posts such capacity as being reserved. Capacity reserved under this Section may be reserved for up to one year prior to Transporter filing for certificate approval for the proposed expansion, and thereafter until such expansion is placed into service. Capacity that is reserved for a future expansion will be made available for transportation service on an interim basis up to the in-service date of the expansion project. For such interim service agreements, Transporter reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

Prior to reserving capacity for future expansion projects under this Section, the subject capacity must have first been made available pursuant to Section 18.1(c) of these Transportation General Terms and Conditions. Capacity that remains available after the posting and bidding procedure outlined in Section 18.1(c) may be reserved by Transporter by means of a posting on Transporter's Internet website that shall include:

- (a) A description of the expansion project for which the capacity will be reserved;
- (b) The total quantity of capacity to be reserved;
- (c) The location of the proposed reserved capacity on Transporter's system;
- (d) When Transporter anticipates holding an open season or otherwise posting the capacity for bidding in connection with the expansion project;
- (e) The projected in-service date of the expansion project; and
- (f) On an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis.

(Continued)



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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

32. RESERVATION OF CAPACITY FOR EXPANSION PROJECTS

Transporter may elect to reserve, for future expansion projects, unsubscribed firm capacity or capacity under expiring or terminating firm transportation agreements where such agreements do not carry a right of first refusal, or evergreen right, or where Shipper does not exercise its right of first refusal, or where a party has elected termination under an evergreen. Transporter may only reserve capacity for a future expansion project for which an open season has been held or will be held within one (1) year of the date that Transporter posts such capacity as being reserved. Capacity reserved under this Section may be reserved for up to one year prior to Transporter filing for certificate approval for the proposed expansion, and thereafter until such expansion is placed into service. Capacity that is reserved for a future expansion will be made available for transportation service on an interim basis up to the in-service date of the expansion project. For such interim service agreements, Transporter reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

Prior to reserving capacity for future expansion projects under this Section, the subject capacity must have first been made available pursuant to Section 18.1(c) of these Transportation General Terms and Conditions. Capacity that remains available after the posting and bidding procedure outlined in Section 18.1(c) may be reserved by Transporter by means of a posting on Transporter's Internet website that shall include:

- (a) A description of the expansion project for which the capacity will be reserved;
- (b) The total quantity of capacity to be reserved;
- (c) The location of the proposed reserved capacity on Transporter's system;
- (d) When Transporter anticipates holding an open season or otherwise posting the capacity for bidding in connection with the expansion project;
- (e) The projected in-service date of the expansion project; and
- (f) On an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

32. RESERVATION OF CAPACITY FOR EXPANSION PROJECTS

Transporter may elect to reserve, for future expansion projects, unsubscribed firm capacity or capacity under expiring or terminating firm transportation agreements where such agreements do not carry a right of first refusal, or evergreen right, or where Shipper does not exercise its right of first refusal, or where a party has elected termination under an evergreen. Transporter may only reserve capacity for a future expansion project for which an open season has been held or will be held within one (1) year of the date that Transporter posts such capacity as being reserved. Capacity reserved under this Section may be reserved for up to one year prior to Transporter filing for certificate approval for the proposed expansion, and thereafter until such expansion is placed into service. Capacity that is reserved for a future expansion will be made available for transportation service on an interim basis up to the in-service date of the expansion project. For such interim service agreements, Transporter reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

Prior to reserving capacity for future expansion projects under this Section, the subject capacity must have first been made available pursuant to Section 18.1(c) of these Transportation General Terms and Conditions. Capacity that remains available after the posting and bidding procedure outlined in Section 18.1(c) may be reserved by Transporter by means of a posting on Transporter's Internet website that shall include:

- (a) A description of the expansion project for which the capacity will be reserved;
- (b) The total quantity of capacity to be reserved;
- (c) The location of the proposed reserved capacity on Transporter's system;
- (d) When Transporter anticipates holding an open season or otherwise posting the capacity for bidding in connection with the expansion project;
- (e) The projected in-service date of the expansion project; and
- (f) On an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

32. RESERVATION OF CAPACITY FOR EXPANSION PROJECTS (Continued)

If capacity that is reserved for an expansion project is insufficient to fully meet the needs of expansion shippers, the expansion open season posting will include a non-binding solicitation for turnback capacity from Transporter's existing Shippers to serve the expansion project. Transporter shall post, in the Informational Postings section of its website, a non-binding solicitation for expansion project related turnback capacity no later than 90 days after the close of an expansion project's open season specifying the minimum term for a response to the solicitation.

Any capacity reserved for a project that does not go forward for any reason shall be reposted as generally available within 30 days of the date the capacity becomes available.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE AGREEMENT

Firm Shippers (original capacity holders) under GTN's firm transportation rate schedules of Third Revised Volume No. 1-A who hold capacity for terms greater than or equal to one year at the maximum authorized reservation charge or rate shall have the right of first refusal at the expiration of their service agreements, subject to the procedures outlined below. The right of first refusal does not apply to interim service agreements for capacity that has been reserved for a future expansion project as set forth in Section 32 of these Transportation General Terms and Conditions, or capacity that has been sold on a pre-arranged basis pursuant to Section 18.1(b) of these Transportation General Terms and Conditions.

Original capacity holders must notify GTN one year prior to the primary expiration date of their service agreements whether they elect to terminate or not to terminate the service agreements. However, in the event that an expansion project is proposed that would utilize capacity on Transporter's existing facilities, the sizing of which project could be affected by Shipper's plans regarding the continuation of service, Transporter will have the right to notify Shipper that Shipper's election to terminate or not to terminate must be provided up to, but no more than, thirty six (36) months prior to termination of Shipper's service agreement.

At the time an original capacity holder provides notification to GTN regarding its election to terminate or not to terminate its service agreement, GTN will post a notice on its Internet website that the original capacity holder's service agreement will expire and whether the original capacity holder has either elected or not elected to terminate pursuant to this paragraph.

- 33.1 In the event original capacity holder elects termination, original capacity holder shall no longer hold a right of first refusal and GTN shall subject the capacity to a bidding process. GTN will

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE AGREEMENT

Firm Shippers (original capacity holders) under GTN's firm transportation rate schedules of Third Revised Volume No. 1-A who hold capacity for terms greater than or equal to one year at the maximum authorized reservation charge or rate shall have the right of first refusal at the expiration of their service agreements, subject to the procedures outlined below. The right of first refusal does not apply to interim service agreements for capacity that has been reserved for a future expansion project as set forth in Section 32 of these Transportation General Terms and Conditions, or capacity that has been sold on a pre-arranged basis pursuant to Section 18.1(b) of these Transportation General Terms and Conditions.

Original capacity holders must notify GTN one year prior to the primary expiration date of their service agreements whether they elect to terminate or not to terminate the service agreements.

At the time an original capacity holder provides notification to GTN regarding its election to terminate or not to terminate its service agreement, GTN will post a notice on its Internet website that the original capacity holder's service agreement will expire and whether the original capacity holder has either elected or not elected to terminate pursuant to this paragraph.

- 33.1 In the event original capacity holder elects termination, original capacity holder shall no longer hold a right of first refusal and GTN shall subject the capacity to a bidding process. GTN will

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE  
AGREEMENT

Firm Shippers (original capacity holders) under GTN's firm transportation rate schedules of Third Revised Volume No. 1-A who hold capacity for terms greater than or equal to one year at the maximum authorized reservation charge or rate shall have the right of first refusal at the expiration of their service agreements, subject to the procedures outlined below. The right of first refusal does not apply to interim service agreements for capacity that has been reserved for a future expansion project as set forth in Section 32 of these Transportation General Terms and Conditions, or capacity that has been sold on a pre-arranged basis pursuant to Section 18.1(b) of these Transportation General Terms and Conditions.

Original capacity holders must notify GTN one year prior to the primary expiration date of their service agreements whether they elect to terminate or not to terminate the service agreements.

At the time an original capacity holder provides notification to GTN regarding its election to terminate or not to terminate its service agreement, GTN will post a notice on its Internet website that the original capacity holder's service agreement will expire and whether the original capacity holder has either elected or not elected to terminate pursuant to this paragraph.

- 33.1 In the event original capacity holder elects termination, original capacity holder shall no longer hold a right of first refusal and GTN shall subject the capacity to a bidding process. GTN will

(Continued)

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**Original Sheet No. 211A** Original Sheet No. 211A : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE  
AGREEMENT (Continued)

33.1 (Continued)

commence open bidding no later than 3 months prior to the service agreement expiration. The bid period will be no less than 5 business days in duration. GTN will announce the bid winner(s) as soon as practicable after the close of the bid period, provided, however, that GTN will have no obligation to accept any bid(s) at rates less than the maximum applicable rate in effect. Acceptable bids will be those having the greatest economic value as determined in Paragraph 18.1(e). Tied bids will be awarded on a pro rata basis. Winning Shipper(s) and GTN must execute a new firm transportation service agreement prior to service commencement. New long-term Shippers will be subject to the highest incremental fuel rate on the GTN system where such fuel rate otherwise applies to expansion Shippers on the GTN system.

- 33.2 In the event original capacity holder does not elect termination, GTN will commence open bidding no later than 3 months prior to the service agreement expiration. The bid period will be no less than 5 business days in duration. GTN will notify the original capacity holder of any acceptable bid(s) as soon as practicable, provided, however, that GTN will have no obligation to accept any bid(s) at rates less than the maximum applicable rate in effect. Acceptable bids will be those having the greatest economic value as determined in Paragraph 18.1(e). In the event that GTN does not receive any acceptable bids, the original capacity holder shall not be entitled to continue to receive transportation service upon the expiration of its contract except by agreeing to pay the maximum applicable tariff rate. If GTN accepts any bid(s) the original

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE  
AGREEMENT (Continued)

33.2 (Continued)

capacity holder will have ten (10) business days from the date of notice to match the accepted bid(s) in order of economic value (highest to lowest), provided that the original capacity holder shall not have to match any bid rate higher than the maximum applicable rate and shall not be subject to the highest incremental rate on the GTN system. GTN will announce the winning bid(s) as soon as practicable after the close of the match period. If the original capacity holder matches an accepted bid, the associated capacity is awarded to the original capacity holder. If the original capacity holder does not match an accepted bid, the capacity shall be awarded to the highest acceptable bid(s). If there is more than one equivalent winning bid, GTN shall award capacity on a pro rata basis. New long-term Shippers will be subject to the highest incremental fuel rate on the GTN system where such fuel rate otherwise applies to expansion shippers on the GTN system. New Shippers must execute a firm transportation service agreement with GTN prior to service commencement. Original capacity holder is allowed to retain a portion of its capacity by matching the NPV of acceptable bids according to the procedure outlined in this provision, provided that the original contract path is maintained.

33.3 Bids shall be evaluated on the net present value methodology described in Paragraph 18.1(e). The net present value of revenues to be received from a Shipper bidding a Negotiated Rate shall be calculated using the proposed reservation charge revenues and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise. Where the Negotiated Rate is based on a Negotiated Rate Formula, the future value of which cannot be determined at the time of the bidding, GTN shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

33.4 If there are no acceptable bids received, the rate and terms of continuing service is to be negotiated between original capacity holder and GTN. GTN and original capacity holder shall have 20 business days from the end of the bid period to mutually agree to acceptable terms. In the event GTN and original capacity holder do not mutually agree to continue service, original capacity holder shall no longer hold a right of first refusal and GTN shall subject the capacity to a bidding process consistent with Section 33.8.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE AGREEMENT (Continued)

33.2 (Continued)

capacity holder will have ten (10) business days from the date of notice to match the accepted bid(s) in order of economic value (highest to lowest), provided that the original capacity holder shall not have to match any bid rate higher than the maximum applicable rate and shall not be subject to the highest incremental rate on the GTN system. GTN will announce the winning bid(s) as soon as practicable after the close of the match period. If the original capacity holder matches an accepted bid, the associated capacity is awarded to the original capacity holder. If the original capacity holder does not match an accepted bid, the capacity shall be awarded to the highest acceptable bid(s). If there is more than one equivalent winning bid, GTN shall award capacity on a pro rata basis. New long-term Shippers will be subject to the highest incremental fuel rate on the GTN system where such fuel rate otherwise applies to expansion shippers on the GTN system. New Shippers must execute a firm transportation service agreement with GTN prior to service commencement. Original capacity holder is allowed to retain a portion of its capacity by matching the NPV, based upon price and term, of acceptable bids, according to the procedure outlined in this provision, provided that the original contract path is maintained.

33.3 The net present value of revenues to be received from a Shipper bidding a Negotiated Rate shall be calculated using the proposed reservation charge revenues and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise. Where the Negotiated Rate is based on a Negotiated Rate Formula, the future value of which cannot be determined at the time of the bidding, GTN shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

33.4 If there are no acceptable bids received, the rate and terms of continuing service is to be negotiated between original capacity holder and GTN. GTN and original capacity holder shall have 20 business days from the end of the bid period to mutually agree to acceptable terms. In the event GTN and original capacity holder do not mutually agree to continue service, original capacity holder shall no longer hold a right of first refusal and GTN shall subject the capacity to a bidding process consistent with Section 33.8.

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TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S SERVICE  
AGREEMENT (Continued)

33.2 (Continued)

capacity holder will have ten (10) business days from the date of notice to match the accepted bid(s) in order of economic value (highest to lowest), provided that the original capacity holder shall not have to match any bid rate higher than the maximum applicable rate and shall not be subject to the highest incremental rate on the GTN system. GTN will announce the winning bid(s) as soon as practicable after the close of the match period. If the original capacity holder matches an accepted bid, the associated capacity is awarded to the original capacity holder. If the original capacity holder does not match an accepted bid, the capacity shall be awarded to the highest acceptable bid(s). If there is more than one equivalent winning bid, GTN shall award capacity on a pro rata basis. New long-term Shippers will be subject to the highest incremental fuel rate on the GTN system where such fuel rate otherwise applies to expansion shippers on the GTN system. New Shippers must execute a firm transportation service agreement with GTN prior to service commencement. Original capacity holder is allowed to retain a portion of its capacity by matching the NPV, based upon price and term, of acceptable bids, according to the procedure outlined in this provision, provided that the original contract path is maintained.

33.3 The net present value of revenues to be received from a Shipper bidding a Negotiated Rate shall be calculated using the proposed reservation charge revenues and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise. Where the Negotiated Rate is based on a Negotiated Rate Formula, the future value of which cannot be determined at the time of the bidding, GTN shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

33.4 If there are no acceptable bids received, the rate and terms of continuing service is to be negotiated between original capacity holder and GTN. GTN and original capacity holder shall have 20 business days from the end of the bid period to mutually agree to acceptable terms. In the event GTN and original capacity holder do not mutually agree to continue service, original capacity holder shall no longer hold a right of first refusal and GTN shall subject the capacity to a bidding process consistent with Section 33.8.

(Continued)

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FERC Docket: RP06-407-000

**Fourth Revised Sheet No. 213** Fourth Revised Sheet No. 213 : Effective

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S  
SERVICE AGREEMENT (Continued)

33.4 (Continued)

However, if during this 20-day period the original capacity holder agrees to pay the maximum authorized rate, the original capacity holder may determine the term it desires and GTN must extend the original capacity holder's contract accordingly. However, in order to retain the right of first refusal, the original capacity holder must extend its contract at the maximum authorized rate for a term of at least one year.

33.5 Shippers who terminate their service agreements are not liable for any reservation charges or other charges applicable to the new Shipper contracting for this capacity.

33.6 Only valid bids will be accepted. In order for a bid to be considered valid, a bidder must be deemed creditworthy per Paragraph 18.3 of these Transportation General Terms and Conditions by the close of the bid period. All bids not withdrawn prior to the close of the bid period shall be binding. At the end of the bid period, GTN will evaluate the bids and determine the bid(s) having the greatest economic value as determined in Paragraph 18.1(e). Bidders may submit valid bids for all or a portion of the capacity that is subject to a right of first refusal provided that the original contract path is maintained.

33.7 Right of first refusal rights held by Shipper continue to apply following an election of termination pursuant to existing evergreen language contained in Shipper's Firm Transportation Service Agreement. A Shipper that holds evergreen rights in addition to a right of first refusal under a Firm Transportation Service Agreement must first elect termination under the evergreen provision in order to initiate the right of first refusal process. When either GTN or Shipper elects termination under an evergreen provision, GTN shall not be obligated to continue Shipper's evergreen rights on a contract extended through the right of first refusal process. Shippers may exercise their right of first refusal rights consistent with this Paragraph 33.

33.8 When a right of first refusal process has been completed and there has been no award of capacity, the capacity will be offered pursuant to Transportation General Terms and Conditions Section 18.1(c), which governs GTN's sale of generally available capacity where there is no shipper with right of first refusal rights.

(Continued)

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FERC Docket: RP06-407-000

**Second Revised Sheet No. 214** Second Revised Sheet No. 214 : Effective

Superseding: First Revised Sheet No. 214

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S  
SERVICE AGREEMENT (Continued)

- 33.9 Unless GTN and Shipper expressly agree otherwise in Shipper's service agreement, a Shipper who has entered into an interim service agreement pursuant to Paragraph 18.1(b) or Paragraph 32 of these Transportation General Terms and Conditions may not elect to extend such interim service agreement pursuant to this Paragraph 33.
- 33.10 A Shipper paying a discounted rate or a negotiated rate will not have the Right of First Refusal, unless otherwise agreed to in writing by GTN. GTN shall offer Rights of First Refusal on a not unduly discriminatory basis.
- 33.11 Expansion Project Open Seasons: When GTN has already announced an expansion project, and following an original capacity holder's notification to terminate or not to terminate, GTN may subject a Shipper's capacity to the expansion project open season bidding process, rather than a separate open bidding process, no later than 3 months prior to the service agreement expiration. For those Shippers that elect not to terminate, in order to match an accepted expansion bid, Shipper may be required to meet the lowest accepted expansion bid(s), which meet the minimum terms and conditions that GTN imposes in the expansion project open season. If there are no acceptable expansion bids received, GTN will hold a subsequent open season for expiring contracts, within 10 business days, consistent with Sections 33.1 and 33.2 of this Paragraph, whichever applies. GTN will satisfy expansion capacity needs, in the following order, with:
- (1) Unsubscribed long-term firm capacity that has been reserved pursuant to Paragraph 32 of these Transportation General Terms and Conditions;
  - (2) Capacity that is subject to Transporter's right-of-first-refusal tariff provisions that is included in an expansion open season bidding process;
  - (3) Capacity that is turned back to Transporter as part of Transporter's non-binding solicitation for expansion project related turnback capacity which specifies the minimum term for a response to the solicitation; and
  - (4) Expansion capacity.

(Continued)

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S  
SERVICE AGREEMENT (Continued)

33.9 Unless GTN and Shipper expressly agree otherwise in Shipper's service agreement, a Shipper who has entered into an interim service agreement pursuant to Paragraph 18.1(b) or Paragraph 32 of these Transportation General Terms and Conditions may not elect to extend such interim service agreement pursuant to this Paragraph 33.

33.10 A Shipper paying a discounted rate or a negotiated rate will not have the Right of First Refusal, unless otherwise agreed to in writing by GTN. GTN shall offer Rights of First Refusal on a not unduly discriminatory basis.

33.11 Expansion Project Open Seasons: When an expansion open season bidding process results in a fully-subscribed construction project, the sizing of which could be affected by an original capacity holder's plans regarding continuation of service, Transporter may issue a separate notice prior to construction that requires affected original capacity holders to elect either to terminate or not to terminate their respective service agreements as set forth below. Transporter shall issue such a separate notice only to original capacity holders whose service agreements will expire in the thirty six (36) months following issuance of the separate notice.

An original capacity holder will have ten (10) business days from the date of Transporter's notice to elect to (1) discontinue service at the expiration of its service agreement or (2) extend its service agreement by matching the term and rate, up to the maximum historical rate that applies to the original capacity holder, of the accepted expansion bid generating the lowest NPV. Service agreements will be extended from the respective service agreement termination dates.

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**Substitute Third Revised Sheet No. 214** Substitute Third Revised Sheet No. 214 : Pending  
Superseding: Second Revised Sheet No. 214

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

33. RIGHT OF FIRST REFUSAL UPON TERMINATION OF FIRM SHIPPER'S  
SERVICE AGREEMENT (Continued)

- 33.9 Unless GTN and Shipper expressly agree otherwise in Shipper's service agreement, a Shipper who has entered into an interim service agreement pursuant to Paragraph 18.1(b) or Paragraph 32 of these Transportation General Terms and Conditions may not elect to extend such interim service agreement pursuant to this Paragraph 33.
- 33.10 A Shipper paying a discounted rate or a negotiated rate will not have the Right of First Refusal, unless otherwise agreed to in writing by GTN. GTN shall offer Rights of First Refusal on a not unduly discriminatory basis.

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*FERC Docket: RP02-362-008*

**Sheet No. 215** Sheet No. 215 :    Effective

Reserved For Future Use

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 216** First Revised Sheet No. 216 : Effective

Superseding: Original Sheet No. 216

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

34. ELECTRONIC COMMUNICATIONS

34.1 GTN Internet Website

GTN shall maintain an Internet website at [www.gastransmissionnw.com](http://www.gastransmissionnw.com) which will provide a range of electronic pipeline services and information to all parties on a nondiscriminatory basis. The Internet website is available to any party that has access to the World Wide Web. Access to certain functions and/or services are specifically limited and require completion of a user agreement available on GTN's website. The Internet website will operate 24 hours a day; however, certain functions may be limited to specific operating times during the business day. There is no usage fee associated with or charged by GTN for using the Internet website.

GTN shall exercise reasonable efforts to ensure the accuracy and security of information presented on the Internet website.

34.2 Services Available through the Internet Website.

GTN's Internet website provides information and services to allow shippers to perform a variety of business functions on GTN's system. Information and services include:

(a) Capacity Release

The Internet website provides the functionality for all capacity release activities, allowing a Shipper to post capacity for release, review capacity available for release, bid on capacity posted for release, and similar activities. Capacity Release activities include:

- Posting capacity release offers
- Bidding on posted capacity release offers
- Review/download available parcel data
- Review/download historic capacity release data.

(b) Nominations and Confirmations

The Internet website provides the functionality for a shipper to create or modify a nomination, receive confirmations, and gain information about the status of the shipper's account.



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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

34. ELECTRONIC COMMUNICATIONS (Continued)

34.2 Services Available Through the Internet Website (Con't).

(c) Shipper Account Information

The Internet website allows a shipper to obtain a variety of information about its account.

(d) Operations, Information and Bulletins

The Internet website provides operational bulletins and maintenance schedules, capacity availability, and credit information.

(e) Requests For Service

The Internet website provides the transportation service request form. This form must be completed in order for a shipper to request new service or receive authorization to bid for capacity posted for release.

(f) Tariff and Rates

The Internet website provides GTN's Tariff in searchable form, as well as a summary of GTN's rates for service at major paths.

(g) Available Firm Service

The Internet website provides information about GTN's available firm service.

(h) Energy Affiliate Information

The Internet website provides the energy affiliate information required by the Commission's regulations.

(Continued)

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 218** First Revised Sheet No. 218 : Effective

Superseding: Original Sheet No. 218

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

34. ELECTRONIC COMMUNICATIONS (Continued)

34.2 Services Available Through the Internet Website (Con't)

(j) Complaint Procedures

The Internet website outlines procedures for filing complaints.

(k) File Download Area

The Internet website allows a shipper to directly download a variety of information, as required by Commission Regulations or as otherwise made available by GTN from time to time.

(l) Help & Contact Information

The Internet website provides help and contact information.

(Continued)

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*FERC Docket: RP04-440-000*

**Second Revised Sheet No. 219** Second Revised Sheet No. 219 : Effective  
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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

34. ELECTRONIC COMMUNICATIONS (Continued)

34.3 Historical Information

GTN will back up daily transaction information on the Internet website. This historical information shall be kept for a three-year period and may be archived off-line. Information that may be accessed includes Parcel information and bid information associated with that Parcel, including the identity of the winning bid and bidder.

GTN will provide access to historical data in one of the following manners:

- (a) Direct access by parties via the Internet website. In such cases, data may be viewed, down loaded to a computer or printed by the party.
- (b) GTN may elect to archive historical data off-line. Parties may access this data by sending a written or an electronic mail request to the GTN Capacity Release System Administrator requesting such historical data. GTN will make such information available to Shippers.

34.4 GTN Internet Website

GTN maintains an Internet website at [www.gastransmissionnw.com](http://www.gastransmissionnw.com).

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*FERC Docket: RP10-550-000*

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Superseding: First Revised Sheet No. 220

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

34. ELECTRONIC COMMUNICATIONS (Continued)

34.5 Electronic Data Interface

GTN shall maintain an electronic data interface ("EDI") as required by the standards for electronic delivery mechanisms promulgated by NAESB and incorporated in Paragraph 40 of this tariff. EDI is available to any party with access to compatible equipment for electronic communication and transmission of data in accordance with the NAESB standards. Access to GTN's EDI system is obtained by contacting GTN at the following location:

Gas Transmission Northwest Corporation  
Commercial Services  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761

35. Reserved

(Continued)

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*FERC Docket: RP05- 99-000*

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. Reserved For Future Use

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. MAINLINE REVENUE SHARING CREDITS

- 35.1 Applicability. Revenue sharing as set forth in this Paragraph is contingent upon implementation of GTN's as-filed risk-sharing and flexible service rate proposals in Docket No. RP06-407-000. GTN will share a portion of its mainline transportation service revenues with Eligible Shippers on an annual basis under certain conditions, as set forth below. For purposes of this paragraph, Eligible Shippers are defined as maximum-recourse-rate, uniform-MDQ, long-term firm mainline shippers that are receiving transportation service at the time credits are disbursed. Shippers in default are not eligible for revenue credits pursuant to this Paragraph.
- 35.2 Step 1. Within 45 days after December 31st of each year, GTN shall determine the total annual flexible service revenues received during the previous 12-month period. GTN will additionally calculate threshold revenues that GTN would have collected had it applied 1) long-term firm maximum recourse rates for uniform MDQ, non-seasonal service to firm flexible service shippers, and 2) a 100% load factor equivalent rate to interruptible flexible service shippers. If total actual revenues exceed threshold revenues, GTN will credit 75% of the excess revenues to Eligible Shippers and GTN will retain the remaining 25%. Credited and retained revenues from Step 1 will not be factored into the Step 2 calculation described below.
- 35.3 Step 2. GTN will next determine total annual revenues received from transportation services during the previous 12-month period, net of any revenues credited or retained from Step 1. If total actual revenues exceed the cost-of-service underlying GTN's current transportation rates, net of any unsubscribed capacity costs allocated to GTN through rate design, GTN will credit 75% of the excess revenues to Eligible Shippers and GTN will retain the remaining 25%.
- 35.4 Revenue Crediting. Revenue Sharing Credits, as determined above, shall be reflected as a billing adjustment on March invoices rendered to Eligible Shippers.
- 35.5 Allocation Method. Revenue Sharing Credits shall be credited to each Eligible Shipper based on the proportion of each shipper's uniform MDQ-miles, multiplied by the number of months that Shipper's contract is in effect during the current year.

(Continued)

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**Third Revised Sheet No. 221** Third Revised Sheet No. 221 : Pending

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. PIPELINE INTEGRITY PLAN (PIP) SURCHARGE

- 35.1 Recoverable Costs: This section sets forth a tracking mechanism to recover, through a volumetric surcharge, the cost-of-service effect of Transporter's capital and related operation and maintenance (O&M) expenditures incurred pursuant to Transporter's PIP on or after January 1, 2007 and on or before December 31, 2011 (Tracker Period) by Transporter under the Pipeline Safety Improvement Act of 2002 and the Commission's Order on Accounting for Pipeline Assessment Costs in Docket No. AI05-1-000 (Qualifying Costs). The volumetric surcharges (PIP Surcharges), if any, may be charged by Transporter for five years beginning April 1, 2008 (PIP Surcharge Period). The PIP Surcharge Period shall terminate on March 31, 2013. Qualifying Costs shall not include costs associated with O&M expenses or capital additions that are incurred through the ordinary course of business or costs associated with new expansion facilities. Qualifying Costs recoverable through the PIP surcharge shall consist of a pre-tax rate of return of 15% on PIP capital expenditures (adjusted for associated accumulated depreciation at the rates provided for in the Stipulation and Agreement of Settlement in Docket No. RP06-407 and accumulated deferred income taxes) and the annual depreciation expense associated with PIP capital expenditures. In addition, the amount recoverable pursuant to the PIP surcharge shall include the actual O&M expenses incurred by Transporter pursuant to Transporter's PIP. Transporter shall separately track all expenses and invested capital related to Qualifying Costs made on and after January 1, 2007.
- 35.2 Limitations: In each of the five years of the Tracker Period, Transporter may only recover, through the PIP Surcharge, Qualifying Costs (which will include any Cost Threshold Credits) that exceed a cumulative cost recovery threshold of \$12 million per year. Total Qualifying Costs incurred in any of the five years of the Tracker Period which exceed the cost recovery threshold and are less than or equal to the costs otherwise recoverable through application of the corresponding PIP Surcharge Rate Cap are hereafter referred to as "Net Qualifying Costs" and shall be recovered through a PIP surcharge collected from customers in the following year. Thus, to the extent there are Net Qualifying Costs in year one of the Tracker Period, Transporter may file to establish a PIP surcharge to recover such costs in year one of the PIP Surcharge Period. In each of the subsequent years of the

(Continued)

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*FERC Docket: RP06-407-002*

**Original Sheet No. 221A** Original Sheet No. 221A :    Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. MAINLINE REVENUE SHARING CREDITS (Continued)

- 35.6    Payment of Interest.    GTN shall pay interest to Eligible Shippers receiving revenue credits from the date(s) revenue thresholds are exceeded.    Such interest shall be calculated based upon the methodology of interest specified in Section 154.501(d) of the Commission's regulations.



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FERC Docket: RP06-407-008

**First Revised Sheet No. 221A** First Revised Sheet No. 221A : Pending

Superseding: Original Sheet No. 221A

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. PIPELINE INTEGRITY PLAN (PIP) SURCHARGE (Continued)

35.2 Limitations (continued)

Tracker Period, Transporter may file, in the year following the year the costs are incurred, to establish a PIP surcharge to recover the Net Qualifying Costs incurred in the prior year. If, in any given year of the Tracker Period, Transporter incurs more Qualifying Costs than may be recovered through application of the PIP Surcharge Rate Cap, the difference between the Qualifying Costs incurred and the amount recoverable through application of the PIP Surcharge Rate Cap shall be deemed a "Cost Threshold Credit." This Cost Threshold Credit may be applied by Transporter, in a subsequent year of the Tracker Period, to increase the level of Net Qualifying Costs recovered via the PIP Surcharge subject to the limit that the total Net Qualifying Costs recovered in this subsequent year may not exceed the applicable PIP Surcharge Rate Cap. To the extent there is a remaining Cost Threshold Credit unrecovered at the end of the Tracker Period, Transporter may apply such credit in Year 5 of the PIP Surcharge Period to increase the level of Net Qualifying Costs recoverable from its customers subject to the following two limitations: 1) the total Net Qualifying Costs recovered over the entire PIP Surcharge Period may not exceed \$40 million (Total Surcharge Cost Cap); and 2) the resulting PIP surcharge for year 5 of the PIP Surcharge Period does not exceed the Year 5 PIP Surcharge Rate Cap. All remaining Cost Threshold Credits are extinguished thereafter and the customers have no further obligation to reimburse Transporter for PIP costs while the settlement rates of Docket No. RP06-407 are in effect. To the extent Transporter accelerates the termination of the Moratorium, as defined and set forth in Article V.C. of the Docket No. RP06-407 Settlement, customers' obligation to pay the PIP Surcharge also terminates simultaneously.

- 35.3 PIP Surcharge Rate Cap: To recover PIP costs incurred in year one of the Tracker Period, Transporter may implement a surcharge that does not exceed a rate cap of \$0.0110 per Dth. The PIP Surcharge Rate Cap will increase each subsequent year of the PIP Surcharge Period as follows: \$0.0135 for costs eligible for recovery in year two, \$0.0160 for costs eligible for recovery in year three, \$0.0185 for costs eligible for recovery in year four, and \$0.0200 for costs eligible for recovery in year five of the Tracker Period. The PIP Surcharge Rate Cap in no way places limits on the determination of Net

(Continued)

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FERC Docket: RP06-407-008

Original Sheet No. 221B Original Sheet No. 221B : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. PIPELINE INTEGRITY PLAN (PIP) SURCHARGE (Continued)

35.3 PIP Surcharge Rate Cap (Continued)

Qualifying Costs, except as set forth in Section 35.2 above. To the extent that eligible PIP costs are not recovered in any given year due to cost recovery limits imposed by a PIP Surcharge Rate Cap, Transporter may defer recovery of such costs to a subsequent year, subject to application of the PIP Surcharge Rate Cap for such subsequent year and subject to the overall limitations as set forth in Section 35.2 above.

- 35.4 Filing of the PIP Surcharge: Following each year of the Tracker Period, Transporter shall determine the Net Qualifying Costs, inclusive of unused Cost Threshold Credits, if any. To the extent there are any such costs, Transporter will submit a limited section 4 filing to establish a PIP surcharge, not to exceed the PIP Surcharge Rate Cap, at least thirty (30) days prior to April 1st of each year (Effective Date). Transporter shall include with each PIP surcharge filing tariff sheets setting forth the PIP surcharge, work papers detailing the calculation of such surcharge in accordance with this Section 35, and work papers providing all PIP cost data from January 1, 2007 through December 31 of the most recent calendar year. If the Net Qualifying Costs for the applicable Tracker Period are zero (0), then Transporter will not be required to file tariff sheets with the Commission and instead will post, at least thirty (30) days prior to April 1st of each year, the same cost detail in a separate location on Transporter's Internet website. The informational posting shall remain accessible on the website and shall be available for use in any subsequent PIP Surcharge filing or in a true-up filing made pursuant to Section 35.8. Transporter shall provide in each annual PIP filing or website posting a detailed written description of all PIP capital expenditures, including for each project: the location of the work, a description of the type of work and why it was necessary for pipeline integrity purposes, whether the work was required by the Pipeline Safety Improvement Act of 2002 or goes beyond those requirements, and the actual or estimated costs of the project. Transporter also shall provide information detailing the basis of the PIP O&M expenses, with an explanation of how those expenditures were required and reasonable for pipeline integrity purposes. All issues related to the prudence of cost incurrence, prudence of the PIP's implementation, qualification of the claimed costs for recovery

(Continued)

Effective Date: 01/01/2007 Status: Pending

FERC Docket: RP06-407-008

Original Sheet No. 221C Original Sheet No. 221C : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. PIPELINE INTEGRITY PLAN (PIP) SURCHARGE (Continued)

35.4 Filing of the PIP Surcharge (Continued)

under this surcharge mechanism, whether the PIP O&M expenses related solely to PIP-related O&M costs whether the capital expenditures are Qualifying Costs, and calculation of the charges are preserved for protest and resolution in the annual filings submitted pursuant to this provision.

35.5 Applicability: The PIP Surcharge shall apply to and be paid in addition to the rates applicable to services provided under Rate Schedules FTS-1, LFS-1, and ITS-1.

- a. The PIP surcharge shall be expressed in dollars per Dth and may be recovered only in a manner consistent with the ACA surcharge (that is, only once per Dth transported by Transporter).
- b. To the extent a PIP Surcharge is placed into effect, the surcharge will remain in effect for one year from April 1 through March 31. The PIP Surcharge will be subject to refund with interest until approved by FERC.
- c. With regard to transportation services that are discounted by Transporter, the PIP Surcharge will be considered as being discounted first, before other items included in the maximum rate levels are impacted. Transporter shall have no right to re-allocate to or otherwise recover from Shippers any PIP Surcharges that it may have agreed to discount.

35.6 Calculation of the PIP Surcharge:

- a. Transporter shall determine the amount of Net Qualifying Costs to be recovered through a PIP Surcharge by calculating actual Qualifying Costs as of each December 31 preceding each Effective Date, subject to the limitations as set forth in Section 35.2 above. The PIP related gross plant balance as of each December 31st shall be reduced by the corresponding accumulated provisions for depreciation and deferred income taxes to arrive at a PIP Rate Base. The PIP Rate Base shall be multiplied by a fifteen percent (15%) pre-tax return on total invested capital to arrive at a PIP Pre-Tax Return Amount. The PIP Pre-Tax Return Amount shall be added to PIP O&M and depreciation expenses incurred during the previous calendar year.

(Continued)

Effective Date: 01/01/2007 Status: Pending

FERC Docket: RP06-407-008

Original Sheet No. 221D Original Sheet No. 221D : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. PIPELINE INTEGRITY PLAN (PIP) SURCHARGE (Continued)

35.6 Calculation of the PIP Surcharge (Continued)

b. Net Qualifying Costs, plus any available Cost Threshold Credits, shall be divided by the actual throughput under Rate Schedules FTS-1, LFS-1, and ITS-1, adjusted for any known and measurable changes, for the 12-month period ending December 31st to derive the PIP surcharge to become effective on April 1st of the following year.

35.7 Roll-in of PIP Capital Investments: At the time Transporter files any new base rate case under Section 4 of the Natural Gas Act, or any time an investigation into Transporter's base rates is initiated under Section 5 of the Natural Gas Act, Transporter shall be entitled to propose to include, among other things, the costs of all PIP capital expenditures (adjusted for applicable depreciation) as part of its proposed rate base. Shippers reserve all rights to challenge inclusion of these costs in any future rate cases. All investment, associated depreciation, depreciation expense and deferred income taxes shall be recovered by Transporter in accordance with the Uniform System of Accounts.

35.8 True-up: To the extent Transporter establishes a PIP Surcharge during the PIP Surcharge Period, within three (3) months following March 31, 2013, Transporter will submit a filing that sets forth the (1) the Net Qualifying Costs recovered via the PIP Surcharges during the PIP Surcharge Period, and (2) PIP cost detail as provided for in Section 35.4 for each year of the Tracker Period. If the total Qualifying Costs incurred are less than \$60 million, then Transporter will file to establish a negative surcharge to return the PIP Surcharges up to the level of the Net Qualifying Costs recovered. If the total Qualifying Costs incurred are between \$60 million and \$100 million, Transporter shall not be entitled to recover more than the total Qualifying Costs less \$60 million through the PIP surcharge, and Transporter shall establish a negative surcharge to return amounts recovered in excess of this amount. For purposes of the True-up, Qualifying Costs do not include costs that could not be recovered in year five of the PIP Surcharge Period because the year five PIP Surcharge Rate Cap was exceeded. In addition, to the extent Transporter has

(Continued)

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FERC Docket: RP06-407-008

**Original Sheet No. 221E** Original Sheet No. 221E : Pending

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35. PIPELINE INTEGRITY PLAN (PIP) SURCHARGE (Continued)

35.8 True-up (Continued)

recovered, through application of PIP Surcharges, costs that are in excess of \$40 million, Transporter will file to establish a negative surcharge to return amounts collected in excess of the final Net Qualifying Cost balance. The negative surcharges must be designed such that they may be applied in full by the end of the same calendar year. Such amounts returned by Transporter may not exceed the amounts recovered by Transporter through application of PIP Surcharges. The final true-up calculation will additionally take into account the difference between the estimated transportation throughput used to set the PIP Surcharge(s) and actual transportation throughput during the last year a surcharge is in effect.

- 35.9 Interest: Except as set forth in Section 35.5(b), interest shall not be included in any charge or refund that will be provided pursuant to the PIP tracking mechanism set forth herein.

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FERC Docket: RP04- 23-000

Original Sheet No. 222 Original Sheet No. 222 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

35A. CREDITING OF INTERRUPTIBLE TRANSPORTATION REVENUES ON EXTENSIONS

- (1) Interruptible Transportation Revenue Credits on Coyote Springs Extension
  - (a) Applicability. Revenue credits from interruptible transportation revenues received by GTN from Rate Schedule ITS-1 (E-3) Shippers shall be provided to GTN's firm Shippers under Rate Schedules FTS-1 (E-3) ("Eligible Shippers"), excluding Shippers receiving service under a Capacity Release Service Agreement.
  - (b) Crediting Percentage. GTN shall credit to Eligible Shippers 90 percent of interruptible transportation revenues received during each 12-month period, commencing November 1st of each year, but only to the extent that such transportation revenues exceed the amount of fixed costs which were allocated to interruptible transportation (Cost Allocation Amount) by GTN as part of designing GTN's effective transportation rates during such 12-month period. To the extent that GTN is required to provide interruptible transportation revenue credits during any period during which this Paragraph 35A shall be or shall have been in effect for less than 12 months, a "Short Period", GTN shall pro rate the Cost Allocation Amount by the number of days during such Short Period as compared to the total number of days in such 12 months. To calculate the interruptible transportation revenue credit due under the provisions of this paragraph, where applicable, such pro rated Cost Allocation Amount shall be compared to GTN's actual interruptible revenues for the Short Period.
  - (c) Timing of Credits. Within 45 days after November 1st of each 12-month period or after the end of a Short Period, if applicable, GTN shall determine the total amount of the applicable Rate Schedule ITS-1 (E-3) revenues received during the 12-month period or Short Period and the distribution of the interruptible revenue credits due to Eligible Shippers as described below. Such revenue credits shall be reflected as a credit billing adjustment in the next invoices rendered to the Eligible Shippers. In the event that such credit billing adjustment would result in a credit total invoice to any Shipper, GTN will refund the excess credit billing adjustment to the Shipper in cash within 15 days after determination of the amount of the credit due to the Shipper.

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Effective Date: 08/01/2004 Status: Effective

FERC Docket: RP04-346-000

**First Revised Sheet No. 223** First Revised Sheet No. 223 : Effective

Superseding: Original Sheet No. 223

TRANSPORTATION GENERAL TERMS AND CONDITIONS

(Continued)

35A. CREDITING OF INTERRUPTIBLE TRANSPORTATION REVENUES ON EXTENSIONS  
(Continued)

(1) Interruptible Transportation Revenue Credits on Coyote  
Springs Extension (Continued)

- (d) Exclusion. Revenue credits shall not be awarded for that portion of interruptible revenues that are attributable to: (1) the recovery by GTN of variable costs, which portion shall be equal to the minimum usage charge for Rate Schedule ITS-1 (E-3), and (2) relate to other volumetric surcharges such as ACA.
- (e) Distribution Method. Interruptible transportation revenue credits shall be credited to each Eligible Shipper on a pro rata basis in proportion to the reservation revenues received during the 12-month period or Short Period from each Eligible Shipper divided by the total reservation revenue for each Eligible Shipper received during such period. The reservation revenues shall include the reservation charges which the Eligible Shippers actually pay prior to the distribution of all revenue credits, and including reservation charges applicable to capacity which was released into GTN's Capacity Release Programs during the 12-month period year or Short Period by the Eligible Shipper.
- (f) GTN shall pay interest to Eligible Shippers on any revenue credits from the date such credits accrue. Such interest shall be calculated based upon the rate of interest specified in Section 154.67(c) of the Commission's regulations.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 224 Original Sheet No. 224 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

35A. CREDITING OF INTERRUPTIBLE TRANSPORTATION REVENUES ON EXTENSIONS  
(Continued)

- (2) Interruptible Transportation Revenue Credits on Medford Extension
- (a) Applicability. Revenue credits from interruptible transportation revenues received by GTN from Rate Schedule ITS-1 (E-1) Shippers shall be credited to the deferred account for Washington Water Power Company's WP Natural Gas subsidiary in accordance with the mechanism approved by Order of June 1, 1995, 71 FERC Paragraph 61,268.
- (b) Crediting Percentage. GTN shall credit to the deferred account 90 percent of interruptible transportation revenues received during each 12-month period, commencing November 1st of each year, but only to the extent that such transportation revenues exceed the amount of fixed costs which were allocated to interruptible transportation (Cost Allocation Amount) by GTN as part of designing GTN's effective transportation rates during such 12-month period. To the extent that GTN is required to provide interruptible transportation revenue credits during any period during which this Paragraph 35A shall be or shall have been in effect for less than 12 months, a "Short Period", GTN shall pro rate the Cost Allocation Amount by the number of days during such Short Period as compared to the total number of days in such 12 months. To calculate the interruptible transportation revenue credit due under the provisions of this paragraph, where applicable, such pro rated Cost Allocation Amount shall be compared to GTN's actual interruptible revenues for the Short Period.
- (c) Exclusion. Revenue credits shall not be awarded for that portion of interruptible revenues that are attributable to the recovery by GTN of variable costs, which portion shall be equal to the minimum usage charge for Rate Schedule ITS-1 (E-1).

(Continued)



Effective Date: 08/01/2004 Status: Effective

FERC Docket: RP04-346-000

**Third Revised Sheet No. 225** Third Revised Sheet No. 225 : Effective

Superseding: Second Revised Sheet No. 225

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

36. DISCOUNT POLICY

36.1 GTN may from time to time offer a discount from the maximum applicable rate for service under any service agreement governed by this FERC Gas Tariff. If and when GTN offers a discount, such discount shall be applied to the base tariff rate.

36.2 Types Of Discounts

From time to time, GTN and Shipper may agree in writing on a level of discount of the otherwise applicable rates and charges in addition to a basic discount from the maximum rates. For example, GTN may provide a specific discount rate based on:

- (a) achievement of a specified quantity levels (including quantity levels above, below, or equal to a specified level);
- (b) specified time periods;
- (c) specified points of receipt, points of delivery, supply areas, defined geographic areas; or transportation paths;
- (d) a specified relationship to the quantities actually transported (i.e., that the rates shall be adjusted in a specified relationship to the quantities actually transported); or
- (e) published index prices for specific receipt and/or delivery points or other agreed-upon published pricing reference points for price determination (such discounted rate may be based upon the differential between published index prices or arrived at by formula). Such discounted rate: (1) shall not change the underlying rate design; (2) shall not include any minimum bill or minimum take provision that has the effect of guaranteeing revenue; and (3) shall, in each service agreement entered into pursuant to Section 36.2(e), define the rate component(s) to be discounted.

In all circumstances the discounted rate shall be between the maximum rate and the minimum rate applicable to the service provided.

*Effective Date: 05/02/2005    Status: Effective*

*FERC Docket: RP05-246-000*

**First Revised Sheet No. 226** First Revised Sheet No. 226 : Effective

Superseding: Original Sheet No. 226

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

36. DISCOUNT POLICY (Continued)

Reserved For Future Use

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 227** First Revised Sheet No. 227 : Effective  
Superseding: Original Sheet No. 227

GENERAL TERMS AND CONDITIONS  
(Continued)

37. ADJUSTMENT MECHANISM FOR FUEL, LINE LOSS, AND OTHER UNACCOUNTED FOR  
GAS PERCENTAGES

The effective fuel and line loss percentages under Rate Schedules FTS-1 and ITS-1 shall be adjusted downward to reflect reductions and may be adjusted upward to reflect increases in fuel usage and line loss in accordance with this Section 37.

37.1 Computation of Effective Fuel and Line Loss Percentage

The effective fuel and line loss percentage shall be the sum of the current fuel and line loss percentage and the fuel and line loss surcharge percentage.

37.2 The Current Fuel and Line Loss Percentage

- (a) For each month, the current fuel and line loss percentage shall be determined in accordance with Section 37.2(c) hereof. The current fuel and line loss shall be effective from the first day of such month and shall remain in effect for the month.
- (b) The current fuel and line loss percentage to be applicable for the month shall be posted on GTN's Internet website not less than seven (7) days prior to the beginning of the month.
- (c) The current fuel and line loss percentage for the month shall be determined on the basis of (1) the estimated quantities of gas to be received by GTN for the account of Shippers during such month and (2) the projected quantities of gas that shall be required for fuel and line loss during such month, adjusted for overrecoveries or underrecoveries of fuel and line loss during such month preceding the month in which the current fuel and line loss percentage is posted; provided, that the percentage shall not exceed the maximum current fuel and line loss percentage and shall not be less than the minimum current fuel and line loss percentage set forth on the Statement of Effective Rates and Charges.

(Continued)

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**First Revised Sheet No. 228** First Revised Sheet No. 228 : Effective

Superseding: Original Sheet No. 228

GENERAL TERMS AND CONDITIONS  
(Continued)

37. ADJUSTMENT MECHANISM FOR FUEL, LINE LOSS AND OTHER UNACCOUNTED  
FOR GAS PERCENTAGES (Continued)

37.2 The Current Fuel and Line Loss Percentage (Continued)

- (d) At least thirty (30) days prior to January 1, GTN shall file with the Commission schedules supporting the current fuel and line loss percentages applicable during the twelve (12) months ending October 31.

37.3 The Fuel and Line Loss Surcharge Percentage

- (a) For each twelve (12) month period beginning January 1, the fuel and line loss surcharge percentage shall be determined in accordance with Section 37.3(c) hereof. The fuel and line loss surcharge percentage shall become effective on January 1 and shall remain in effect for the twelve (12) month period ending December 31.
- (b) At least thirty (30) days prior to each January 1, GTN shall file with the Commission and post, as defined by Section 154.2(d) of the Commission's regulations, the fuel and line loss surcharge percentage, together with supporting documentation.
- (c) The fuel and line loss percentage shall be computed by quantifying GTN's actual fuel and line loss over/under collection position at October 31 of each year and dividing the result by an estimate of the quantities of gas to be delivered by GTN for the account of Shippers over the following twelve (12) month period. The over/under position will be quantified by (i) determining GTN's actual fuel consumption and line losses for each month of the preceding twelve (12) month period and (ii) subtracting the quantities retained by GTN during each month of the preceding twelve (12) month period. If the percentage so determined is +/- 0.0001%, the fuel and line loss surcharge percentage shall be deemed to be zero.

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 229 Original Sheet No. 229 : Effective

GENERAL TERMS AND CONDITIONS  
(Continued)

38. INCREMENTAL FUEL REALLOCATION MECHANISM

When at least one incremental fuel surcharge is currently in effect on the GTN system under this FERC Gas Tariff, new Shippers, taking either long-term firm (LTF) capacity that is available on the GTN system or LTF capacity that is permanently released pursuant to Paragraph 28 of these General Terms and Conditions, will be subject to the highest incremental fuel rate where such fuel rate otherwise applies to expansion Shippers on the GTN system. LTF capacity that is available on the GTN system includes, but is not limited to: capacity that is subject to the right of first refusal process where the existing Shipper has elected to terminate its contract pursuant to Paragraph 33.1 of these General Terms and Conditions; capacity that is subject to the right of first refusal process where the existing Shipper elects not match the highest bid(s) pursuant to Paragraph 33.2; and capacity that has returned to the pipeline because of Shipper default or other contract termination.

The fuel rate that applies to new LTF Shipper(s) will be determined by the following formula, where Incremental Fuel represents the fuel assumption (in Dth) supporting the original incremental fuel rate associated with a particular expansion project and Incremental Dth-miles represents all capacity currently subject to the associated incremental fuel surcharge.

Incremental Fuel (Dth)  
-----  
Incremental Dth-miles + New LTF Shipper Dth-miles

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FERC Docket: RP04- 23-000

**Original Sheet No. 230** Original Sheet No. 230 : Effective

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

39. SALES OF EXCESS GAS

GTN may from time to time purchase or sell gas on an interruptible basis at its Stanfield or Kingsgate receipt points as necessary to manage system pressure and maintain system integrity . Prior to purchasing or selling gas pursuant to this section, GTN shall post notice of its intent to purchase or sell gas through its EBB. Purchase or sale of gas shall be made on a nondiscriminatory basis.

Effective Date: 08/01/2009 Status: Effective

FERC Docket: RP09-684-001

**Substitute Fifth Revised Sheet No. 231** Substitute Fifth Revised Sheet No. 231  
Superseding: Fifth Revised Sheet No. 231

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

40. Gas Industry Standards

In addition to the NAESB standards incorporated within the text of other provisions of this FERC Gas Tariff, GTN incorporates by reference the following standards by level of compliance:

NAESB Version 1.8

0.1.3; 0.2.1; 0.2.2; 0.2.3; 0.3.1; 0.3.2; 0.3.3; 0.3.4; 0.3.5; 0.3.6;  
0.3.7; 0.3.8; 0.3.9; 0.3.10; 0.3.11; 0.3.12; 0.3.13; 0.3.14; 0.3.15;  
0.4.1; 1.2.13; 1.2.14; 1.2.15; 1.2.16; 1.2.17; 1.2.18; 1.2.19; 1.3.3;  
1.3.4; 1.3.15; 1.3.17; 1.3.18; 1.3.20; 1.3.21; 1.3.24; 1.3.25; 1.3.26;  
1.3.27; 1.3.28; 1.3.29; 1.3.30; 1.3.31; 1.3.32; 1.3.33; 1.3.34; 1.3.35;  
1.3.36; 1.3.37; 1.3.38; 1.3.39; 1.3.40; 1.3.41; 1.3.42; 1.3.43; 1.3.44;  
1.3.45; 1.3.46; 1.3.47; 1.3.48; 1.3.49; 1.3.50; 1.3.51; 1.3.52; 1.3.53;  
1.3.54; 1.3.55; 1.3.56; 1.3.57; 1.3.58; 1.3.59; 1.3.60; 1.3.61; 1.3.62;  
1.3.63; 1.3.64; 1.3.65; 1.3.66; 1.3.67; 1.3.68; 1.3.69; 1.3.70; 1.3.71;  
1.3.72; 1.3.73; 1.3.74; 1.3.75; 1.3.76; 1.3.77; 1.3.79; 1.4.1; 1.4.2;  
1.4.3; 1.4.4; 1.4.5; 1.4.6; 1.4.7; 2.1.5; 2.2.2; 2.2.3; 2.2.4; 2.3.1;  
2.3.2; 2.3.3; 2.3.4; 2.3.5; 2.3.6; 2.3.8; 2.3.10; 2.3.12; 2.3.13; 2.3.15;  
2.3.16; 2.3.17; 2.3.18; 2.3.19; 2.3.20; 2.3.21; 2.3.22; 2.3.23; 2.3.25;  
2.3.26; 2.3.27; 2.3.28; 2.3.31; 2.3.32; 2.3.33; 2.3.34; 2.3.35; 2.3.40;  
2.3.41; 2.3.42; 2.3.43; 2.3.44; 2.3.45; 2.3.46; 2.3.47; 2.3.48; 2.3.49;  
2.3.50; 2.3.51; 2.3.52; 2.3.53; 2.3.54; 2.3.55; 2.3.56; 2.3.57; 2.3.58;  
2.3.59; 2.3.60; 2.3.61; 2.3.62; 2.3.63; 2.3.64; 2.3.65; 2.4.1; 2.4.2;  
2.4.3; 2.4.4; 2.4.5; 2.4.6; 2.4.7; 2.4.8; 2.4.9; 2.4.10; 2.4.11; 2.4.12;  
2.4.13; 2.4.14; 2.4.15; 2.4.16; 2.4.17; 2.4.18; 3.3.1; 3.3.2; 3.3.3;  
3.3.4; 3.3.5; 3.3.6; 3.3.7; 3.3.8; 3.3.9; 3.3.10; 3.3.11; 3.3.12; 3.3.13;  
3.3.16; 3.3.18; 3.3.19; 3.3.20; 3.3.21; 3.3.22; 3.3.23; 3.3.24; 3.3.25;  
3.3.26; 3.4.1; 3.4.2; 3.4.4; 4.1.40; 4.2.1; 4.2.11; 4.2.12; 4.2.13;  
4.2.20; 4.3.1; 4.3.2; 4.3.3; 4.3.5; 4.3.16; 4.3.17; 4.3.18; 4.3.20;  
4.3.22; 4.3.23; 4.3.24; 4.3.25; 4.3.26; 4.3.27; 4.3.28; 4.3.29; 4.3.30;  
4.3.31; 4.3.32; 4.3.33; 4.3.34; 4.3.35; 4.3.36; 4.3.38; 4.3.39; 4.3.40;  
4.3.41; 4.3.42; 4.3.43; 4.3.44; 4.3.45; 4.3.46; 4.3.47; 4.3.48; 4.3.49;  
4.3.50; 4.3.51; 4.3.52; 4.3.53; 4.3.54; 4.3.55; 4.3.56; 4.3.57; 4.3.58;  
4.3.59; 4.3.60; 4.3.61; 4.3.62; 4.3.65; 4.3.66; 4.3.67; 4.3.68; 4.3.69;  
4.3.72; 4.3.73; 4.3.74; 4.3.75; 4.3.76; 4.3.78; 4.3.79; 4.3.80; 4.3.81;  
4.3.82; 4.3.83; 4.3.84; 4.3.85; 4.3.86; 4.3.87; 4.3.89; 4.3.90; 4.3.91;  
4.3.92; 4.3.93; 5.3.10; 5.3.17; 5.3.18; 5.3.20; 5.3.21; 5.3.22; 5.3.23;  
5.3.24;

(Continued)

Effective Date: 08/01/2009 Status: Effective

FERC Docket: RP09-684-001

**Substitute First Revised Sheet No. 232** Substitute First Revised Sheet No. 232  
Superseding: First Revised Sheet No. 232

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

40. GAS INDUSTRY STANDARDS (Continued)

NAESB Version 1.7 (Continued)

5.3.25; 5.3.28; 5.3.29; 5.3.30; 5.3.31; 5.3.32; 5.3.33; 5.3.34; 5.3.35;  
5.3.36; 5.3.37; 5.3.38; 5.3.39; 5.3.40; 5.3.41; 5.3.42; 5.3.43; 5.3.44;  
5.3.45; 5.3.46; 5.3.47; 5.3.48; 5.3.49; 5.3.50; 5.3.51; 5.3.52; 5.3.53;  
5.3.54; 5.3.56; 5.3.57; 5.3.58; 5.3.59; 5.3.60; 5.4.1; 5.4.2; 5.4.3;  
5.4.4; 5.4.5; 5.4.6; 5.4.7; 5.4.8; 5.4.9; 5.4.10; 5.4.11; 5.4.12;  
5.4.13; 5.4.14; 5.4.15; 5.4.16; 5.4.17; 5.4.18; 5.4.19; 5.4.20; 5.4.21;  
5.4.22; 5.4.23 6.3.4; 6.5.4; 7.3.35; 10.1.1; 10.1.2; 10.1.3; 10.1.4;  
10.1.5; 10.1.6; 10.1.7; 10.1.8; 10.1.9; 10.2.1; 10.2.2; 10.2.3; 10.2.4;  
10.2.5; 10.2.6; 10.2.7; 10.2.8; 10.2.9; 10.2.10; 10.2.11; 10.2.12;  
10.2.13; 10.2.14; 10.2.15; 10.2.16; 10.2.17; 10.2.18; 10.2.19; 10.2.20;  
10.2.21; 10.2.22; 10.2.23; 10.2.24; 10.2.25; 10.2.26; 10.2.27; 10.2.28;  
10.2.29; 10.2.30; 10.2.31; 10.2.32; 10.2.33; 10.2.34; 10.2.35; 10.2.36;  
10.2.37; 10.2.38; 10.3.1; 10.3.3; 10.3.4; 10.3.5; 10.3.6; 10.3.7;  
10.3.8; 10.3.9; 10.3.10; 10.3.11; 10.3.12; 10.3.13; 10.3.14; 10.3.15;  
10.3.16; 10.3.17; 10.3.18; 10.3.19; 10.3.20; 10.3.21; 10.3.22; 10.3.23;  
10.3.24 and 10.3.25.



*Effective Date: 12/31/2005    Status: Effective*

*FERC Docket: RP05-458-002*

**Sheet Nos. 233 - 249** Sheet Nos. 233 - 249 : Effective

Reserved For Future Use

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 250** First Revised Sheet No. 250 : Effective

Superseding: Original Sheet No. 250

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 19\_\_,  
by and between

Gas Transmission Northwest Corporation, a California corporation  
(hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing  
under the laws of the State or Province of \_\_\_\_\_,  
(hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_  
(hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission  
system which extends from a point of interconnection with the pipeline  
facilities of TransCanada PipeLines Limited B.C. System at the  
International Boundary near Kingsgate, British Columbia, through the states  
of Idaho, Washington and Oregon to a point of interconnection with Pacific  
Gas and Electric Company at the Oregon-California border near Malin,  
Oregon; and

WHEREAS, Shipper desires GTN, on a firm basis, to transport  
certain quantities of natural gas from \_\_\_\_\_ to  
\_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify  
end-user, local distribution company, intrastate or interstate pipeline)  
on behalf of \_\_\_\_\_ (specify local distribution company or  
intrastate pipeline); and

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 251** Original Sheet No. 251 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1  
(Continued)

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on a firm basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Firm Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

(Continued)

Effective Date: 12/02/2004 Status: Effective

FERC Docket: RP05- 60-001

**Second Revised Sheet No. 252** Second Revised Sheet No. 252 : Effective

Superseding: First Revised Sheet No. 252

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1  
(Continued)

II

Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges applicable to Rate Schedule FTS-1. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto.
- 2.2 The maximum quantities of gas to be delivered by GTN for shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Paragraph 19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule FTS-1.

III

Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_.

Thereafter, this Agreement shall continue in full force and effect for an additional term of \_\_\_\_\_ unless \_\_\_\_\_ gives at least \_\_\_\_\_ prior written notice of its desire to terminate this agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and GTN (bilateral evergreen).

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 253** Original Sheet No. 253 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1  
(Continued)

IV

Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V

Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule FTS-1.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 254 Original Sheet No. 254 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1  
(Continued)

VI

Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Third Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

(Continued)

Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**Second Revised Sheet No. 255** Second Revised Sheet No. 255

Superseding: First Revised Sheet No. 255

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1  
(Continued)

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or telex with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST CORPORATION  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"             \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 256** Original Sheet No. 256 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE FTS-1  
(Continued)

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.
- 7.9 Exhibit(s) \_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

GAS TRANSMISSION NORTHWEST CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Continued)



Effective Date: 10/06/2003    Status: Effective  
FERC Docket: RP04- 23-000

**Original Sheet No. 257** Original Sheet No. 257 :    Effective

EXHIBIT A  
TO THE FIRM TRANSPORTATION AGREEMENT  
Dated \_\_\_\_\_ Between GAS TRANSMISSION NORTHWEST CORPORATION  
and \_\_\_\_\_

Receipt Point	Delivery Point	Maximum Daily Quantity (Delivered) MMBtu/d
------------------	-------------------	--

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 258** First Revised Sheet No. 258 : Effective  
Superseding: Original Sheet No. 258

Reserved For Future Use

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 259** First Revised Sheet No. 259 : Effective

Superseding: Original Sheet No. 259

FORM OF SERVICE AGREEMENT

(Applicable to Service Under Rate Schedule FTS-1 for Capacity Release)

An electronic signature is required by Shippers submitting bids for FTS-1 capacity under GTN's temporary capacity release tariff provisions. The following paragraph outlines the document to be electronically signed:

This signature form is presented in order that you, the Shipper, may electronically "SIGN" a contract based on the terms of this bid. In "signing" this bid, to the extent you are a winning bidder, you are creating a legally binding contract with GTN consistent with GTN's Form of Service Agreement under Rate Schedule FTS-1, as set forth in GTN's currently effective FERC Gas Tariff, and agreeing to the Terms and Conditions of GTN's FERC Gas Tariff including, if applicable, GTN's capacity release provisions contained in Paragraph 28 of the Transportation General Terms and Conditions of GTN's FERC Gas Tariff.

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 260** First Revised Sheet No. 260 : Effective  
Superseding: Original Sheet No. 260

Reserved For Future Use

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 261** First Revised Sheet No. 261 : Effective  
Superseding: Original Sheet No. 261

Reserved For Future Use

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 262** First Revised Sheet No. 262 : Effective  
Superseding: Original Sheet No. 262

Reserved For Future Use

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 263** First Revised Sheet No. 263 : Effective  
Superseding: Original Sheet No. 263

Reserved For Future Use

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 264** First Revised Sheet No. 264 : Effective  
Superseding: Original Sheet No. 264

Reserved For Future Use



*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 265 - 269** Sheet Nos. 265 - 269 :    Effective

Reserved For Future Use

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 270** First Revised Sheet No. 270 : Effective

Superseding: Original Sheet No. 270

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_,  
19\_\_\_\_, by and between GAS TRANSMISSION NORTHWEST CORPORATION, a  
California corporation (hereinafter referred to as "GTN"),  
and

\_\_\_\_\_, a corporation existing  
under the laws of the State or Province of \_\_\_\_\_ (hereinafter  
referred to as "Shipper"), on behalf of \_\_\_\_\_  
(hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission  
system which extends from a point of interconnection with the pipeline  
Facilities of TransCanada Pipelines Limited B.C. System at  
the International Boundary near Kingsgate, British Columbia, through the  
states of Idaho, Washington and Oregon to a point of interconnection with  
Pacific Gas and Electric Company at the Oregon-California border near  
Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to  
Transport certain quantities of natural gas from \_\_\_\_\_ to  
\_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify  
end-user, local distribution company, intrastate or interstate pipeline)  
on behalf of \_\_\_\_\_ (specify local  
distribution company or intrastate pipeline); and

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 271** Original Sheet No. 271 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1  
(Continued)

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Interruptible Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

(Continued)

Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**Second Revised Sheet No. 272** Second Revised Sheet No. 272

Superseding: First Revised Sheet No. 272

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1  
(Continued)

II

Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to rate Schedule ITS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto. The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.2 The maximum quantities of gas to be delivered by GTN for Shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Paragraph 19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule ITS-1.

III

Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 273** Original Sheet No. 273 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1  
(Continued)

IV

Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V

Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate schedule ITS-1.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 274** Original Sheet No. 274 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1  
(Continued)

VI

Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Statement of Effective Rates and Charges and Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.
- 6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

(Continued)

Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**Second Revised Sheet No. 275** Second Revised Sheet No. 275

Superseding: First Revised Sheet No. 275

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1  
(Continued)

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the state of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or telex with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                      GAS TRANSMISSION NORTHWEST CORPORATION  
                                 717 Texas Street, Suite 2400  
                                 Houston, Texas 77002-2761  
                                 Attention: Commercial Services

"Shipper"                      \_\_\_\_\_  
                                 \_\_\_\_\_  
                                 \_\_\_\_\_  
                                 \_\_\_\_\_  
                                 Attention: \_\_\_\_\_  
                                 \_\_\_\_\_

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 276 Original Sheet No. 276 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE ITS-1  
(Continued)

VII  
Miscellaneous  
(Continued)

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 Reserved for future use.
- 7.9 Exhibit(s) \_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

Gas Transmission Northwest Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 277 Original Sheet No. 277 : Effective

EXHIBIT A  
TO THE INTERRUPTIBLE TRANSPORTATION AGREEMENT

Dated \_\_\_\_\_ Between

GAS TRANSMISSION NORTHWEST CORPORATION

and \_\_\_\_\_

Receipt Point	Delivery Point	Maximum Daily Quantity (Delivered) MMBtu/d
------------------	-------------------	--

Notes:

- 1) Shipper's priority date of service under this Agreement has been established as \_\_\_\_\_.
- 2) Rates for transportation service under this Agreement and gas to be supplied by Shipper at Shipper's point(s) of receipt for fuel, line loss, and unaccounted for purposes are listed in the Statement of Effective Rates and Charges of GTN's FERC Gas Tariff

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 278 - 279** Sheet Nos. 278 - 279 :    Effective

Reserved For Future Use

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 280** First Revised Sheet No. 280 : Effective  
Superseding: Original Sheet No. 280

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING SERVICE  
UNDER RATE SCHEDULE PS-1

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_,  
19\_\_, by and between GAS TRANSMISSION NORTHWEST CORPORATION,  
a California corporation (hereinafter referred to as "GTN"), and  
\_\_\_\_\_, a corporation  
existing under the laws of the State or Province of \_\_\_\_\_  
(hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_  
\_\_\_\_\_ (hereinafter referred to as \_\_\_\_\_)  
\_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission  
system which extends from a point of interconnection with the pipeline  
facilities of TransCanada PipeLines Limited B.C. System at  
the International Boundary near Kingsgate, British Columbia, through the  
states of Idaho, Washington and Oregon to a point of interconnection  
with Pacific Gas and Electric Company at the Oregon-California border  
near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis,  
to park certain quantities of natural gas; and

WHEREAS, GTN is willing to park certain quantities of natural  
gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Parking Service Agreement ("Agreement") is made pursuant to  
the regulations of the Federal Energy Regulatory Commission (FERC)  
contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect  
to the subject matters hereof, either state or federal, and to  
all valid present and future decisions, orders, rules, regulations  
and ordinances of all duly constituted governmental authorities  
having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees  
incurred by GTN in seeking governmental authorization for  
the initiation, extension, or termination of service under this  
Agreement and Rate Schedule PS-1. Shipper shall reimburse GTN  
for such fees at GTN's designated office within ten  
(10) days of receipt of notice from GTN that such fees are  
due and payable.

(Continued)

Effective Date: 05/27/2006 Status: Effective

FERC Docket: RP06-326-000

**First Revised Sheet No. 281** First Revised Sheet No. 281 : Effective

Superseding: Original Sheet No. 281

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING SERVICE  
UNDER RATE SCHEDULE PS-1  
(Continued)

II

Quantity of Gas and Priority of Service

- 2.1 Quantities parked under Rate Schedule PS-1 will be as specified in Shipper's delivery schedule to be provided to GTN
- 2.2 The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.3 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule PS-1.

III

Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

IV

Points of Receipt

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 Shipper shall deliver or cause to be delivered to GTN the gas to be parked hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 282 Original Sheet No. 282 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO PARKING SERVICE UNDER RATE SCHEDULE PS-1

V. Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to park gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the parking of gas for the account of Shipper pursuant to GTN's Rate Schedule PS-1.

VI. Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule PS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
- 6.2 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule PS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Third Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 6.3 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to Parking Service pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII. Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the state of California.
- 7.2 Shipper agrees to indemnify and hold GTN harmless for refusal to park gas hereunder in the event any upstream transporter fails to deliver gas as contemplated by this Agreement.

(Continued)

Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**Second Revised Sheet No. 283** Second Revised Sheet No. 283

Superseding: First Revised Sheet No. 283

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING SERVICE

UNDER RATE SCHEDULE PS-1

(Continued)

VII

Miscellaneous

(Continued)

- 7.3 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or telex with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                      GAS TRANSMISSION NORTHWEST CORPORATION  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"                      \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.4 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.5 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.6 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.7 Exhibit(s) \_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 284** Original Sheet No. 284 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING SERVICE  
UNDER RATE SCHEDULE PS-1  
(Continued)

VII  
Miscellaneous  
(Continued)

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be  
executed as of the day and year first above written.

GAS TRANSMISSION NORTHWEST CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 285** Original Sheet No. 285 : Effective

EXHIBIT A  
TO THE PARKING SERVICE AGREEMENT  
Dated \_\_\_\_\_  
Between GAS TRANSMISSION NORTHWEST CORPORATION  
and \_\_\_\_\_

Receipt Point(s)



*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 286 - 289** Sheet Nos. 286 - 289 :    Effective

Reserved For Future Use

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 290** First Revised Sheet No. 290 : Effective  
Superseding: Original Sheet No. 290

FORM OF SERVICE AGREEMENT  
APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of  
\_\_\_\_\_, 19\_\_, by and between

GAS TRANSMISSION NORTHWEST CORPORATION, a California corporation  
(hereinafter referred to as "GTN"), and \_\_\_\_\_, a  
corporation existing under the laws of the State or Province of  
\_\_\_\_\_(hereinafter referred to as "Shipper"), on behalf of  
\_\_\_\_\_(hereinafter referred to as \_\_\_\_\_)

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on an interruptible basis, to obtain short-term advances of certain quantities of natural gas; and

WHEREAS, GTN is willing to advance, on a short-term basis, certain quantities of natural gas for Shipper, on an interruptible basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Authorized Imbalance Service Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule AIS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable.

(Continued)

Effective Date: 05/27/2006 Status: Effective

FERC Docket: RP06-326-000

**First Revised Sheet No. 291** First Revised Sheet No. 291 : Effective

Superseding: Original Sheet No. 291

FORM OF SERVICE AGREEMENT

APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1

(Continued)

II

Quantity of Gas and Priority of Service

- 2.1 Beginning on the date specified in Article III and continuing for the remaining term specified in Article III, GTN agrees to advance quantities of gas to Shipper up to the Maximum Quantity (MQ) specified in Exhibit A.
- 2.2 The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers of GTN that have a higher priority of service.
- 2.3 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule AIS-1.

III

Term of Agreement

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and year to year thereafter until canceled by \_\_\_\_\_day(s) prior written notice given by either party to the other.

IV

Points of Delivery

- 4.1 The point(s) of delivery of gas advanced to Shipper is as designated in Exhibit A, attached hereto.

(Continued)

*Effective Date: 09/03/2004    Status: Effective*

*FERC Docket: RP04-440-000*

**First Revised Sheet No. 292** First Revised Sheet No. 292 : Effective  
Superseding: Original Sheet No. 292

FORM OF SERVICE AGREEMENT  
APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1

V. Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to advance gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the advancement and return of gas for the account of Shipper pursuant to GTN's Rate Schedule AIS-1.

VI. Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule AIS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
- 6.2 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule AIS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Third Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part thereof.
- 6.3 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to Authorized Imbalance Service pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

VII. Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper agrees to indemnify and hold GTN harmless for refusal to advance gas hereunder in the event any downstream Transporter fails to receive gas as contemplated by this Agreement.

Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**Second Revised Sheet No. 293** Second Revised Sheet No. 293

Superseding: First Revised Sheet No. 293

FORM OF SERVICE AGREEMENT

APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1  
(Continued)

VII  
Miscellaneous  
(Continued)

- 7.3 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or telex with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                      GAS TRANSMISSION NORTHWEST CORPORATION  
                              717 Texas Street, Suite 2400  
                              Houston, Texas 77002-2761  
                              Attention: Commercial Services

"Shipper"

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

- 7.4 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.5 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.6 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.7 Exhibit(s) \_\_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 294** Original Sheet No. 294 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO AUTHORIZED IMBALANCE SERVICE  
UNDER RATE SCHEDULE AIS-1  
(Continued)

VII  
Miscellaneous  
(Continued)

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be  
executed as of the day and year first above written.

GAS TRANSMISSION NORTHWEST CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 295** Original Sheet No. 295 : Effective

EXHIBIT A

Dated \_\_\_\_\_ TO THE AUTHORIZED IMBALANCE SERVICE AGREEMENT  
Between GAS TRANSMISSION NORTHWEST CORPORATION  
and \_\_\_\_\_

Maximum  
Quantity (MQ)                      Point(s) of Gas Advance

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 296 - 299** Sheet Nos. 296 - 299 :    Effective

Reserved For Future Use



Effective Date: 04/30/2010 Status: Effective  
FERC Docket: RP10-550-000

**First Revised Sheet No. 300** First Revised Sheet No. 300  
Superseding: Original Sheet No. 300

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

THIS ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT (the "Agreement"), is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Gas Transmission Northwest Corporation, a California corporation, with its principal office at 717 Texas Street, Suite 2400, Houston, Texas 77002-2761 ("GTN"), and \_\_\_\_\_, a \_\_\_\_\_, with its principal office at \_\_\_\_\_ (the "User").

RECITALS

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

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

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

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

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 301** Original Sheet No. 301 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

Section 1. Prerequisites.

1.1. Documents: Standards. Each party may electronically transmit to or receive from the other party any of the transaction sets listed in the Exhibit(s) of Appendix A, and transaction sets which the parties by written agreement add to Appendix A (individually a "Document"; collectively "Documents"). Any transmission of data which is not a Document shall have no force or effect between the parties. Documents shall be transmitted in accordance with the terms and conditions of Appendix A attached hereto. Additional Exhibit(s) may be added from time to time, upon written agreement by the parties, and such Exhibit(s) shall be made a part of this Agreement.

In the event of a conflict between the provisions in Appendix A or an Exhibit and the terms and conditions of the body of this Agreement, the terms and conditions of the body of this Agreement shall govern.

1.2. Third Party Service Providers.

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

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

1.2.3. Due to the uncertain nature of the Worldwide Web/Internet, the parties acknowledge and agree that each

(Continued)

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 302** First Revised Sheet No. 302 : Effective  
Superseding: Original Sheet No. 302

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

party shall be liable for the acts or omissions of its Provider with regard to the transmission, receiving, storing or handling of Documents on behalf of such party; provided, that if both the parties use the same Provider to effect the transmission, receipt, storing and/or handling of a Document, the originating party shall be liable with regard to the transmission, receiving, storing or handling of such Document. This provision does not limit any claim of a party against a Provider in respect of any act or omission. NOTWITHSTANDING THE GENERALITY OF THE FOREGOING PROVISIONS OF THIS SECTION 1.2.3, USER ACKNOWLEDGES AND AGREES THAT USER IS SOLELY RESPONSIBLE FOR THE ACCURACY OF ALL INFORMATION AND DATA THAT USER TRANSMITS TO GTN AND GTN SHALL NOT BE LIABLE FOR ANY SUCH INACCURACIES.

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

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

1.5. Signatures. Each party shall adopt as its signature an electronic identification consisting of symbol(s) or code(s) which are to be affixed to or contained, where required, in the Document transmitted by such party ("Signature Code(s)"). Each Signature Code(s) shall be specified in Appendix A. In such cases where a Signature Code(s) is required for one or more Transaction Set(s), the requirement shall be specified in Appendix A applicable to such Transaction Set(s). Each party agrees that the Signature Code(s) of each party affixed to or contained in any transmitted Document shall be sufficient to verify such party originated such

(Continued)

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Original Sheet No. 303** Original Sheet No. 303 :    Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

Document(s). Neither party shall disclose to any unauthorized person the Signature Code(s) of the other party. User shall take all commercially reasonable measures to maintain the secrecy and confidentiality of the Signature Code of User. Without limiting the generality of the foregoing sentence, Use shall, at all times, provide GTN with a list of all currently authorized representatives of User having access to the User's Signature Code and shall be solely responsible for any transmission utilizing User's Signature Code by anyone not set forth on such list and any and all consequences resulting from such unauthorized use of the User's Signature Code.

Section 2. Transmissions.

2.1. Proper Receipt. Documents shall not be deemed to have been properly received, and no Document shall give rise to any obligation, until accessible to the receiving party at such party's Receipt Computer designated in Appendix A. Where the parties employ the services of Providers to transmit and receive Documents, the Receipt Computer shall be defined in Appendix A as the receiving party's electronic mailbox provided by the receiving party's Provider.

2.2. Verification.

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

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

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 304 Original Sheet No. 304 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

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

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

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

2.3. Acceptance. Unless otherwise provided in Appendix A, all Documents shall require a document (the "Acceptance Document") accepting the initial transmitted document and no obligation shall arise with regard to any Document until the originating party has properly received in return an Acceptance Document. The form and nature of each such Acceptance Document for each designated type of Document shall be specified in Appendix A with respect to each such Document. The validity and enforcement of all Documents and all Acceptance Documents shall be governed by the terms and conditions set forth in Section 3.3 of this Agreement.

(Continued)

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

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

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

Section 3. Transaction Terms.

3.1. Terms and Conditions. All Transmissions made pursuant to this Agreement shall be subject to the terms and conditions of this Agreement and no other terms and conditions shall apply unless the parties specifically agree to the applicability of such other terms and conditions. User agrees that it shall be bound by all the terms and conditions of this Agreement, as well as any and all applicable tariffs currently in effect for PGT as approved by the Federal Energy Regulatory Commission ("FERC"), or which may hereafter be implemented. Such tariffs are matters of public record, which User warrants it has reviewed and will review in the future.

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

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 306** Original Sheet No. 306 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

3.3. Validity: Enforceability.

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

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

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

3.3.4. Parties agree not to contest the validity or enforceability of Signed Documents under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. In the event a conflict exists between Signed Documents maintained on GTN's Electronic Files (hereinafter referred to as "GTN Electronic Signed Documents") and Signed Documents maintained on User's electronic files, GTN Electronic Signed Documents will control. Signed Documents will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of the above mentioned copies of Signed Documents under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Signed Documents were not originated or maintained in documentary form.

(Continued)

**Effective Date: 10/06/2003    Status: Effective**

**FERC Docket: RP04- 23-000**

**Original Sheet No. 307** Original Sheet No. 307 :    Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

Section 4.    Miscellaneous.

4.1.    Term; Termination and Modification of EDI Process.

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

4.1.1.1    Either party may terminate this Agreement upon not less than thirty (30) days prior written notice specifying the effective date of termination.

4.1.1.2    GTN may terminate this Agreement as provided by applicable tariff, and may further terminate, upon fifteen (15) days prior notice by GTN, for cause, including User's failure to honor this Agreement, failure to honor any Contract entered through the EDI Process, failure to pay required reservation or demand charges, failure to meet GTN's applicable credit requirements, or failure to comply with all applicable tariffs currently or hereafter in effect for GTN as approved by FERC (as such term is defined in Section 3.1).

4.1.2    GTN has the right to propose modifications to FERC related to the EDI Process and this Agreement, and in the event FERC approves any modifications to the EDI Process and this Agreement, the parties agree to be bound by such modifications.

(Continued)



Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 308** Original Sheet No. 308 : Effective

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

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

4.4. Governing Law; Dispute Resolution. User agrees that the laws of the State of California, without giving effect to choice of law provisions, shall govern the interpretation and enforcement of this Agreement. Any dispute or controversy arising from this Agreement or from the operation of the EDI Process, whether arising in tort, contract or otherwise, including any claims for punitive or exemplary damages, shall be submitted by the parties to binding arbitration for resolution.

4.4.1. Notice of a dispute or controversy by GTN or User shall be made in writing, delivered to the other party, by means of a written demand containing the substance of the party's dispute or claim and requesting resolution by binding arbitration.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 309** Original Sheet No. 309 : Effective

FORM OF SERVICE AGREEMENT  
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4.4.2. Within thirty (30) days of receipt of the written demand, set forth in Section 4.4.1, or as soon thereafter as is practicable for the parties and the Arbitrator(s), the parties shall enter into binding arbitration. The proceeding shall be conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association then in effect. The parties shall select and agree upon a single Arbitrator and that one Arbitrator shall render the decision. If the parties are unable to agree upon a single Arbitrator, GTN and the User shall each select a single neutral arbitrator, and the two selected neutral Arbitrators shall select and agree upon a third neutral Arbitrator, and the three (3) Arbitrators shall render the decision. In the event that the two neutral Arbitrators selected by the parties are unable to select and agree upon a third neutral Arbitrator, GTN or the User may apply to any federal or state court of competent jurisdiction for appointment of a third neutral Arbitrator. Any arbitration award must be in writing, and must contain the Findings of Fact and Conclusions of Law upon which the Arbitrator(s) relied in making the decision. In the event there is a single Arbitrator, the arbitration award shall be rendered by a majority and signed by such Arbitrator. In the event the above provisions require three (3) Arbitrators, a decision shall be rendered by a majority and signed by all of the Arbitrators. Any arbitration award may be entered as a judgment in any court having jurisdiction over the non-prevailing party. The Arbitrator(s) shall award all reasonable costs, including attorney fees, to the prevailing party. Arbitration proceedings shall take place in Portland, Oregon.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 310** Original Sheet No. 310 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

4.5 Force Majeure. If either party hereto shall fail to perform any obligation imposed upon it by this Agreement, and such failure shall be caused, or materially contributed to, by "force majeure," which means any act of God, strikes, lockouts, or other industrial disturbances, acts of public enemies, sabotage (whether or not performed by persons affiliated with parties hereto), wars, blockades, insurrections, riots, epidemics, landslides, lighting, electrical power failures, telecommunication system failures, earthquakes, floods, storms, fires, washouts, extreme cold or freezing weather, arrests and restraints of rulers or people, civil disturbances, explosions, breakage of or accident to machinery or lines of pipe, materials or equipment, computer hardware or software failure, legislative, administrative or judicial action which has been resisted in good faith by all reasonable legal means, any acts, omissions or causes whether of the kind herein enumerated or otherwise not reasonably within the control of the party invoking this paragraph and which by the exercise of due diligence such party could not have prevented the necessity for making repairs to, replacing, or reconditioning machinery, hardware, software, equipment, or pipelines, not resulting from the fault or negligence of the party involving this paragraph, such failure shall be deemed not to be a breach of the obligation of such party, but such party shall use reasonable diligence to put itself in a position to carry out its obligations.

(Continued)

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Original Sheet No. 311** Original Sheet No. 311 :    Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

4.5.1. Nothing contained herein shall be construed to require either party to settle a strike or lockout by acceding against its judgment to the demands of the opposing parties. No such cause described in paragraph 4.5 affecting the performance of either party shall continue to relieve such party from its obligation after the expiration of a reasonable period of time within which by the use of due diligence such party could have remedied the situation preventing its performance, nor shall any such cause relieve either party from any obligation unless such party shall give notice thereof in writing to the other party with reasonable promptness; and like notice shall be given upon termination of such cause. Further, inasmuch as this Agreement relates solely to the EDI Process, no such cause as described in paragraph 4.5 shall, by the force of this Agreement, have any effect on other agreements or tariffs affecting the parties; specifically, no such cause as described in paragraph 4.5 shall affect User's obligation to pay any charges otherwise due to GTN.

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

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 312 Original Sheet No. 312 : Effective

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

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

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

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

4.11. Reasonable Care of User. User agrees to exercise due and reasonable care in the use of the EDI Process.

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

GAS TRANSMISSION NORTHWEST CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[INSERT NAME OF "USER"]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Continued)

Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**First Revised Sheet No. 313** First Revised Sheet No. 313

Superseding: Original Sheet No. 313

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE  
APPENDIX A  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT  
(DATE) \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE) \_\_\_\_\_

GENERAL PARTY INFORMATION  
GAS TRANSMISSION NORTHWEST CORPORATION  
717 TEXAS STREET, SUITE 2400  
HOUSTON, TEXAS 77002-2761

ATTENTION: \_\_\_\_\_  
(NAME, TITLE)

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

OTHER NOTICE METHOD & ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

DUNS NUMBER: \_\_\_\_\_

USER COMPANY NAME: \_\_\_\_\_

STREET ADDRESS: \_\_\_\_\_

CITY: \_\_\_\_\_ STATE/PROVINCE: \_\_\_\_\_

ZIP/POSTAL CODE: \_\_\_\_\_

ATTENTION: \_\_\_\_\_  
(NAME, TITLE)

PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

OTHER NOTICE METHOD & ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

DUNS NUMBER: \_\_\_\_\_

ALLOCATION OF COSTS:  
Sender: Pays all costs to get its data to receiving  
party's Receipt Computer  
Receiver: Pays all costs to retrieve the data

(Continued)

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 314** First Revised Sheet No. 314 : Effective  
Superseding: Original Sheet No. 314

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

APPENDIX A

ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

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

LIST OF EXHIBITS

EXHIBIT NUMBER	TRANSACTION SET NUMBER	NATURAL GAS DOCUMENT NAME	DATE EXHIBIT ENTERED INTO
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

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

COMPANY NAME: Gas Transmission COMPANY NAME:  
Northwest Corporation

BY: \_\_\_\_\_ BY: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_ PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_ TITLE: \_\_\_\_\_

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 315 Original Sheet No. 315 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

EXHIBIT XXX (Sequential Number)

ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

DATED \_\_\_\_\_

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

COVERING TRANSACTION SET NUMBER \_\_\_\_\_

DOCUMENT SPECIFIC OPERATING INFORMATION:

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

NATURAL GAS DESCRIPTIVE NAME:

\_\_\_\_\_  
ASCX12 VERSION/RELEASE NO.:

\_\_\_\_\_  
VAN ACCOUNT ID (as applicable):

ROW NO.	ITEMS	ORIGINATING PARTY	RECEIVING PARTY
1	COMPANY NAME		
2	EDI COMMUNICATION PHONE NUMBER		
3	THIRD PARTY SERVICE PROVIDER NAME		
4	RECEIPT COMPUTER/ PHONE NUMBER		
5	ISA QUALIFIER		
6	ISA ID CODE		
7	GS ID CODE		
8	FUNCTIONAL 997 DOCUMENT ACKNOWLEDGMENT (FA) (Y/N)	N/A	

(Continued)



Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 316 Original Sheet No. 316 : Effective

FORM OF SERVICE AGREEMENT  
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ROW	ITEMS	ORIGINATING PARTY	RECEIVING NO. PARTY
9	FA RETURN TIME FRAME	N/A	
10	RESPONSE DOCUMENT (RSP) NUMBER/NAME	N/A	
11	FUNCTIONAL ACKNOWLEDGEMENT OF RESPONSE	N/A	
12	RSP RETURN TIME FRAME	N/A	
13	ACCEPTANCE DOCUMENT (ACPT)	N/A	
14	FUNCTIONAL ACKNOWLEDGMENT OF ACCEPTANCE		N/A
15	ACPT RETURN TIME FRAME	N/A	
16	RETRANSMIT TIME FRAME (ORIGINAL DOCUMENT)		N/A
17	SIGNATURE CODE		

(Continued)

Effective Date: 10/06/2003 Status: Effective  
FERC Docket: RP04- 23-000

Original Sheet No. 317 Original Sheet No. 317 : Effective

FORM OF SERVICE AGREEMENT  
APPLICABLE TO ELECTRONIC DATA INTERFACE

EXHIBIT XXX (Sequential Number)  
ELECTRONIC DATA INTERCHANGE TRADING PARTNER AGREEMENT

DATED \_\_\_\_\_  
TO BE EFFECTIVE \_\_\_\_\_ (DATE)  
COVERING TRANSACTION SET NUMBER \_\_\_\_\_

2. SECURITY PROCEDURES: (Define security procedures, including but not limited to encryption and authentication, if any.) \_\_\_\_\_
3. LIST OF AUTHORIZED USERS: (List of authorized users of User's signature code as set forth in Section 1.5 of this Agreement. \_\_\_\_\_
4. ADDITIONAL TERMS AND CONDITIONS: (If no special terms and conditions have been agreed upon, enter "None".) \_\_\_\_\_
5. LIMITATION ON DIRECT DAMAGES: (If no limitation has been agreed upon, enter "NONE".) \_\_\_\_\_
6. CONFIDENTIAL INFORMATION: (See Section 3.2. If no limitation has been agreed upon, enter "None".) \_\_\_\_\_

The undersigned do hereby execute this Exhibit pursuant to the Agreement referenced above and to which this exhibit is to be attached and do hereby ratify said Agreement for all purposes set forth in this Exhibit.

COMPANY NAME: \_\_\_\_\_  
BY: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_  
BY: \_\_\_\_\_  
PRINTED NAME: \_\_\_\_\_  
TITLE: \_\_\_\_\_

*Effective Date: 10/06/2003    Status: Effective*

*FERC Docket: RP04- 23-000*

**Sheet Nos. 318 - 319** Sheet Nos. 318 - 319 :    Effective

Reserved For Future Use

Effective Date: 09/03/2004 Status: Effective

FERC Docket: RP04-440-000

**First Revised Sheet No. 320** First Revised Sheet No. 320 : Effective

Superseding: Original Sheet No. 320

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_,  
by and between

Gas Transmission Northwest Corporation, a California corporation  
(hereinafter referred to as "GTN"),

and

\_\_\_\_\_, a corporation existing  
under the laws of the State or Province of \_\_\_\_\_,  
(hereinafter referred to as "Shipper"), on behalf of \_\_\_\_\_  
(hereinafter referred to as \_\_\_\_\_).

WHEREAS, GTN owns and operates a natural gas pipeline transmission system which extends from a point of interconnection with the pipeline facilities of TransCanada PipeLines Limited B.C. System at the International Boundary near Kingsgate, British Columbia, through the states of Idaho, Washington and Oregon to a point of interconnection with Pacific Gas and Electric Company at the Oregon-California border near Malin, Oregon; and

WHEREAS, Shipper desires GTN, on a limited basis, to transport certain quantities of natural gas from \_\_\_\_\_ to \_\_\_\_\_ for ultimate delivery to \_\_\_\_\_ (specify end-user, local distribution company, intrastate or interstate pipeline) on behalf of \_\_\_\_\_ (specify local distribution company or intrastate pipeline); and

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 321** Original Sheet No. 321 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1  
(Continued)

WHEREAS, GTN is willing to transport certain quantities of natural gas for Shipper, on a limited basis,

NOW, THEREFORE, the parties agree as follows:

I  
Governmental Authority

- 1.1 This Limited Transportation Agreement ("Agreement") is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time.
- 1.2 This Agreement is subject to all valid legislation with respect to the subject matters hereof, either state or federal, and to all valid present and future decisions, orders, rules, regulations and ordinances of all duly constituted governmental authorities having jurisdiction.
- 1.3 Shipper shall reimburse GTN for any and all filing fees incurred by GTN in seeking governmental authorization for the initiation, extension, or termination of service under this Agreement and Rate Schedule LFS-1. Shipper shall reimburse GTN for such fees at GTN's designated office within ten (10) days of receipt of notice from GTN that such fees are due and payable. Additionally, Shipper shall reimburse GTN for any and all penalty fees or fines assessed GTN caused by the negligence of Shipper in not obtaining all proper Canadian and domestic import/export licenses, surety bonds or any other documents and approvals related to the Canadian exportation and subsequent domestic importation of natural gas transported by GTN hereunder.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 322 Original Sheet No. 322 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1  
(Continued)

II

Quantity of Gas and Priority of Service

- 2.1 Subject to the terms and provisions of this Agreement and GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1, daily receipts of gas by GTN from Shipper at the point(s) of receipt shall be equal to daily deliveries of gas by GTN to Shipper at the point(s) of delivery; provided, however, Shipper shall deliver to GTN an additional quantity of natural gas at the point(s) of receipt as compressor station fuel, line loss and unaccounted for gas as specified in the Exhibit A attached hereto. Any limitations of the quantities to be received from each point of receipt and/or delivered to each point of delivery shall be as specified on the Exhibit A attached hereto.
- 2.2 The maximum quantities of gas to be delivered by GTN for shipper's account at the point(s) of delivery are set forth in Exhibit A.
- 2.3 In providing service to its existing or new customers, GTN will use the priorities of service specified in Paragraph 19 of GTN's Transportation General Terms and Conditions on file with the FERC.
- 2.4 Prior to initiation of service, Shipper shall provide GTN with any information required by the FERC, as well as all information identified in GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1.

III

Term of Agreement and Number of Limited Days

- 3.1 This Agreement shall become effective \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_.
- 3.2 Shipper and GTN agree that the minimum number of Limited Days will be \_\_\_\_\_ and the maximum number of Limited Days will be \_\_\_\_\_.
- 3.3 Shipper \_\_\_\_\_ agrees \_\_\_\_\_ does not agree to accept "partial volume day" limiting at the discretion of GTN.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 323** Original Sheet No. 323 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1  
(Continued)

IV  
Points of Receipt and Delivery

- 4.1 The point(s) of receipt of gas deliveries to GTN is as designated in Exhibit A, attached hereto.
- 4.2 The point(s) of delivery of gas to Shipper is as designated in Exhibit A, attached hereto.
- 4.3 Shipper shall deliver or cause to be delivered to GTN the gas to be transported hereunder at pressures sufficient to deliver such gas into GTN's system at the point(s) of receipt. GTN shall deliver the gas to be transported hereunder to or for the account of Shipper at the pressures existing in GTN's system at the point(s) of delivery.

V  
Operating Procedure

- 5.1 Shipper shall conform to the operating procedures set forth in GTN's Transportation General Terms and Conditions.
- 5.2 Nothing in Section 5.1 shall compel GTN to transport gas pursuant to Shipper's request on any given day. GTN shall have the right to interrupt or curtail the transport of gas for the account of Shipper pursuant to GTN's Transportation General Terms and Conditions applicable to Rate Schedule LFS-1.

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 324** Original Sheet No. 324 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1  
(Continued)

VI

Rate(s), Rate Schedules,  
and General Terms and Conditions of Service

- 6.1 Shipper shall pay GTN each month for services rendered pursuant to this Agreement in accordance with GTN's Rate Schedule LFS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event GTN and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
- 6.2 Shipper shall compensate GTN each month for compressor station fuel, line loss and other unaccounted for gas associated with this transportation service provided herein in accordance with GTN's Rate Schedule LFS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.
- 6.3 This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule LFS-1, or superseding rate schedule(s) and of the applicable Transportation General Terms and Conditions of GTN's FERC Gas Tariff, Third Revised Volume No. 1-A on file with the FERC, all of which are by this reference made a part hereof.
- 6.4 GTN shall have the unilateral right from time to time to propose and file with FERC such changes in the rates and charges applicable to transportation services pursuant to this Agreement, the rate schedule(s) under which this service is hereunder provided, or any provisions of GTN's Transportation General Terms and Conditions applicable to such services. Shipper shall have the right to protest any such changes proposed by GTN and to exercise any other rights that Shipper may have with respect thereto.

(Continued)



Effective Date: 04/30/2010 Status: Effective

FERC Docket: RP10-550-000

**First Revised Sheet No. 325** First Revised Sheet No. 325

Superseding: Original Sheet No. 325

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1  
(Continued)

VII  
Miscellaneous

- 7.1 This Agreement shall be interpreted according to the laws of the State of California.
- 7.2 Shipper warrants that upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit(s) \_\_\_\_ attached hereto.
- 7.3 Shipper agrees to indemnify and hold GTN harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.
- 7.4 Unless herein provided to the contrary, any notice called for in this Agreement shall be in writing and shall be considered as having been given if delivered by registered mail or telex with all postage or charges prepaid, to either GTN or Shipper at the place designated below. Routine communications, including monthly statements and payment, shall be considered as duly delivered when received by ordinary mail. Unless changed, the addresses of the parties are as follows:

"GTN"                   GAS TRANSMISSION NORTHWEST CORPORATION  
717 Texas Street, Suite 2400  
Houston, Texas 77002-2761  
Attention: Commercial Services

"Shipper"             \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
\_\_\_\_\_

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

Original Sheet No. 326 Original Sheet No. 326 : Effective

FORM OF SERVICE AGREEMENT

APPLICABLE TO LIMITED FIRM TRANSPORTATION SERVICE  
UNDER RATE SCHEDULE LFS-1  
(Continued)

- 7.5 A waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.
- 7.6 This Agreement may only be amended by an instrument in writing executed by both parties hereto.
- 7.7 Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to GTN.
- 7.8 This Agreement shall terminate upon the expiration of any transportation authority which is not superseded, for whatever reason, by permanent transportation authority.
- 7.9 Exhibit(s) \_\_\_ attached hereto is/are incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

GAS TRANSMISSION NORTHWEST CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SHIPPER

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Continued)

Effective Date: 10/06/2003 Status: Effective

FERC Docket: RP04- 23-000

**Original Sheet No. 327** Original Sheet No. 327 : Effective

EXHIBIT A

TO THE LIMITED FIRM TRANSPORTATION AGREEMENT  
Dated \_\_\_\_\_ Between GAS TRANSMISSION NORTHWEST CORPORATION  
and \_\_\_\_\_

Receipt Point	Delivery Point	Maximum Daily Quantity (Delivered) DTH/d
------------------	-------------------	--

