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Effective Date: 10/01/2007 Status: Effective

FERC Docket: RP07-684-000

Second Revised Sheet No. 0 Southwest Gas Storage Company: First Revised Volume No. 1

Second Revised Sheet No. 0 : Effective Superseding: First Revised Sheet No. 0

FERC GAS TARIFF

FIRST REVISED VOLUME NO. 1 (Supersedes Original Volume No. 1)

οf

SOUTHWEST GAS STORAGE COMPANY

Filed With The

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed To:

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SOUTHWEST GAS STORAGE COMPANY P. O. Box 4967 Houston, Texas 77210-4967

5444 Westheimer Road Houston, Texas 77056-5306 Effective Date: 10/01/2002 Status: Effective

FERC Docket: RP02-447-000

First Revised Sheet No. 1 First Revised Sheet No. 1: Effective Superseding: Original Sheet No. 1

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Effective Date: 05/17/2009 Status: Effective

FERC Docket: RP09-514-000

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FERC Docket: RP00- 58-000

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

#### PRELIMINARY STATEMENT

Southwest Gas Storage Company is a natural gas company engaged in the business of providing natural gas storage service from the Borchers North Field in Meade County, Kansas; North Hopeton Storage Field in Woods County, Oklahoma; Waverly Storage Field in Morgan and Sangamon Counties, Illinois; and, the Howell Storage Field in Livingston County, Michigan.

The storage of natural gas is undertaken by the Company only under

The storage of natural gas is undertaken by the Company only under written contract acceptable to the Company after consideration of its commitment to others, delivery capacity, and other factors deemed pertinent by it.

Effective Date: 06/01/2009 Status: Effective

FERC Docket: RP09-535-000

Second Revised Sheet No. 4 Second Revised Sheet No. 4 Superseding: First Revised Sheet No. 4

SYSTEM MAP APPEARS HERE

Effective Date: 06/01/2009 Status: Effective

FERC Docket: RP09-535-000

Second Revised Sheet No. 4A Second Revised Sheet No. 4A Superseding: First Revised Sheet No. 4A

WEST AREA MAP APPEARS HERE

Effective Date: 06/01/2009 Status: Effective

FERC Docket: RP09-535-000

Second Revised Sheet No. 4B Second Revised Sheet No. 4B Superseding: First Revised Sheet No. 4B

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Effective Date: 04/01/2010 Status: Effective

FERC Docket: RP10-427-000

Twenty-Ninth Revised Sheet No. 5 Twenty-Ninth Revised Sheet No. 5 Superseding: Twenty-Eighth Revised Sheet No. 5

# CURRENTLY EFFECTIVE RATES

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

|   | Maximum<br>Rate Per Dt         | Minimum<br>Rate Per Dt         |
|---|--------------------------------|--------------------------------|
| RATE SCHEDULE FSS   | (1)                            | (2)                            |
| Capacity Charge   | \$ 0.3419 (1)                  | \$ -                           |
| Deliverability Charge   | 2.8496 (1)                     | -                              |
| Injection Charge  | 0.0015                         | 0.0015                         |
| Withdrawal Charge   | 0.0015                         | 0.0015                         |
| Authorized Overrun Charge   | 0.1145                         | 0.0030                         |
| ACA Unit Charge   | 0.0019                         | 0.0019                         |
| Fuel Reimbursement  West Area Storage Facilities  Injection  Withdrawal  East Area Storage Facilities  Injection  Withdrawal  RATE SCHEDULE ISS | 1.72 %<br>0.82<br>2.89<br>1.48 | 1.72 %<br>0.82<br>2.89<br>1.48 |
| Inventory Charge  | \$ 0.1145                      | \$ 0.0030                      |
| Authorized Overrun Charge   | 0.1145                         | 0.0030                         |
| ACA Unit Charge   | 0.0019                         | 0.0019                         |
| Fuel Reimbursement West Area Storage Facilities Injection Withdrawal East Area Storage Facilities Injection Withdrawal                          | 1.72 %<br>0.82<br>2.89<br>1.48 | 1.72 %<br>0.82<br>2.89<br>1.48 |

<sup>(1)</sup> Maximum rate applicable for capacity release with a term of more than one year.

Effective Date: 12/15/1999 Status: Effective FERC Docket: RP00- 58-000

Sheet Nos. 6 - 19 Sheet Nos. 6 - 19 : Effective

RESERVED FOR FUTURE USE.

FERC Docket: RP00- 58-000

Original Sheet No. 20 original Sheet No. 20 : Effective

RATE SCHEDULE FSS FIRM STORAGE SERVICE

#### 1. AVAILABILITY

This Rate Schedule FSS is available to any person (Shipper) for the purchase of natural gas storage service on a firm basis from Southwest Gas Storage Company (Southwest) upon execution of a Storage Service Agreement in the form provided for in this Tariff.

Shipper shall arrange separately for any transportation attendant to the storage service provided hereunder and Shipper shall pay separately for such transportation services.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The firm service rendered hereunder is the storage of natural gas up to a Maximum Annual Quantity (MAQ) as set forth in the Storage Service Agreement, with a Maximum Daily Withdrawal Quantity (MWQ) and a Maximum Daily Injection Quantity (MIQ) as provided herein, subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Storage Service Agreement. Southwest is not obligated to provide any storage service for which capacity is not available, which would constrain the operational efficiency of its facilities, or which would require the construction, purchase or acquisition of new facilities or the modification or expansion of existing facilities.

# 2.2 Injections into Storage

- (A) Shipper's MIQ shall be:
  - (1) West Area Storage Facilities
    - (a) 1/180th of the MAQ until ninety percent (90%) of the MAQ has been injected;
    - (b) Thereafter sixty percent (60%) of the volume specified in 2.2(A)(1)(a) above until ninety-five percent (95%) of the MAQ has been injected;
    - (c) Thereafter thirty-five percent (35%) of the volume specified in 2.2(A)(1)(a) above.

FERC Docket: RP00- 58-000

Original Sheet No. 21 original Sheet No. 21: Effective

RATE SCHEDULE FSS (Continued)
FIRM STORAGE SERVICE

- (2) East Area Storage Facilities
  - (a) 1/180th of the MAQ until seventy-five percent (75%) of the MAQ has been injected;
  - (b) Thereafter sixty percent (60%) of the volume specified in 2.2(A)(2)(a) above until ninety percent (90%) of the MAQ has been injected;
  - (c) Thereafter forty percent (40%) of the volume specified in 2.2(A)(2)(a) above.
- (B) Authorized Injection Overrun Quantities

Upon request of Shipper, Southwest may, but is not obligated to, inject on any Day Quantities in excess of Shipper's MIQ when, in Southwest's sole judgment, the capacity of its system will permit such injection without impairing the ability of Southwest to meet its other obligations.

(C) Injection During the Withdrawal Season

Upon request of Shipper, Southwest may, but is not obligated to, inject on any Day during the Withdrawal Season Quantities up to Shipper's MIQ and any Authorized Injection Overrun Quantities when, in Southwest's sole judgment, the capacity of its system will permit such injection without impairing the ability of Southwest to meet its other obligations.

# 2.3 Withdrawals from Storage

- (A) Shipper's MWQ shall be:
  - (1) West Area Storage Facilities
    - (a) 1/100th of the MAQ until fifty percent (50%) of the MAQ has been withdrawn;
    - (b) Thereafter sixty percent (60%) of the volume specified in 2.3(A)(1)(a) above until seventy-five percent (75%) of the MAQ has been withdrawn;
    - (c) Thereafter thirty-three percent (33%) of the volume specified in 2.3(A)(1)(a) above.

FERC Docket: RP00- 58-000

Original Sheet No. 22 Original Sheet No. 22: Effective

RATE SCHEDULE FSS (Continued)
FIRM STORAGE SERVICE

#### (2) East Area Storage Facilities

- (a) 1/67th of the MAQ until sixty percent (60%) of the MAQ has been withdrawn;
- (b) Thereafter fifty percent (50%) of the volume specified in 2.3(A)(2)(a) above until eighty-five percent (85%) of the MAQ has been withdrawn;
- (c) Thereafter twenty-five percent (25%) of the volume specified in 2.3(A)(2)(a) above.
- (B) Authorized Withdrawal Overrun Quantities

Upon request of Shipper, Southwest may, but is not obligated to, withdraw on any Day Quantities in excess of Shipper's MWQ when, in Southwest's sole judgment, the capacity of its system will permit such withdrawal without impairing the ability of Southwest to meet its other obligations. Shipper shall pay Southwest the applicable Authorized Overrun Charge for such Quantities as set forth on Sheet No. 5.

(C) Withdrawal During Injection Season

Upon request of Shipper, Southwest may, but is not obligated to withdraw on any Day during the Injection Season Quantities up to Shipper's MWQ and any Authorized Withdrawal Overrun Quantities when, in Southwest's sole judgment, the capacity of its system will permit such withdrawal without impairing the ability of Southwest to meet its other obligations.

FERC Docket: RP00- 58-000

Original Sheet No. 23 Original Sheet No. 23: Effective

RATE SCHEDULE FSS (Continued)
FIRM STORAGE SERVICE

#### 3. RATE

The rates and charges for firm service under this Rate Schedule FSS shall include the applicable storage rate components per Dt as described in Sections 3.1, 3.2 and 3.3.

#### 3.1 Storage Charges

For Storage service rendered to Shipper under this Rate Schedule FSS, Shipper shall pay Southwest each Month the sum of the following charges as set forth on the effective Tariff Sheet No. 5 of this Tariff:

(A) Capacity Charge

The monthly capacity charge per Dt is determined by multiplying the Maximum Annual Quantity (MAQ) by the Capacity Charge rate, divided by twelve.

(B) Deliverability Charge

The monthly deliverability charge per Dt is determined by multiplying the Maximum Daily Withdrawal Quantity (MWQ) by the monthly Deliverability Charge rate.

(C) Injection Charge

The injection charge shall be equal to the applicable injection rate multiplied by the Quantity injected into Southwest's facilities by Shipper, as provided for in Section 2.2, during any Month.

(D) Withdrawal Charge

The withdrawal charge shall be equal to the applicable withdrawal rate multiplied by the Quantity withdrawn from Southwest's facilities, as provided for in Section 2.3, during any Month.

FERC Docket: RP00- 58-000

Original Sheet No. 24 Original Sheet No. 24: Effective

RATE SCHEDULE FSS (Continued)
FIRM STORAGE SERVICE

#### 3.2 Authorized Overrun Charge

The Authorized Overrun Charge shall be the product of the authorized overrun rate per Dt, as set forth on the effective Tariff Sheet No. 5 of this Tariff, and the Quantity of Gas withdrawn from Southwest's facilities pursuant to Section 2.3(B).

#### 3.3 Fuel Reimbursement

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

#### 3.4 Range of Rates

Unless otherwise agreed upon by Shipper and Southwest, the rates applicable to a Shipper for service hereunder shall be the applicable Maximum Rate(s) as set forth on the effective Tariff Sheet No. 5. In the event an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be confirmed in writing by Southwest, shall be applied prospectively and Southwest shall be responsible for compliance with any reporting requirements prescribed by the Commission.

## 3.5 Annual Charge Adjustment Provision (ACA)

Shipper shall pay the ACA Unit Charge which has been assessed by the Federal Energy Regulatory Commission pursuant to Section 382.202 of the Regulations. The ACA Unit Charge shall be reflected on Sheet No. 5 of this Tariff and shall be added to the respective Injection Charge component of Southwest's rates.

#### 4. MONTHLY BILL

The monthly bill for storage service shall be the sum of the applicable Storage Charges as defined in Section 3.1, the ACA Unit Charge, and an Authorized Overrun Charge, if applicable.

FERC Docket: RP00- 58-000

Original Sheet No. 25 Original Sheet No. 25: Effective

RATE SCHEDULE FSS (Continued)
FIRM STORAGE SERVICE

# 5. RESERVATIONS

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

#### 6. GENERAL TERMS AND CONDITIONS

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

FERC Docket: RP00- 58-000

Original Sheet No. 26 original Sheet No. 26: Effective

RATE SCHEDULE ISS
INTERRUPTIBLE STORAGE SERVICE

#### 1. AVAILABILITY

This Rate Schedule ISS is available to any person (Shipper) for the purchase of natural gas storage service on an interruptible basis from Southwest Gas Storage Company (Southwest) upon execution of a Storage Service Agreement in the form provided for in this Tariff.

Shipper shall arrange separately for any transportation attendant to the storage service provided hereunder and Shipper shall pay separately for such transportation services.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE

2.1 The interruptible service rendered hereunder is the storage of natural gas up to a Maximum Annual Quantity (MAQ) as set forth in the Storage Service Agreement, with a Maximum Daily Withdrawal Quantity (MWQ) and a Maximum Daily Injection Quantity (MIQ) as provided herein, subject to the availability of capacity, the General Terms and Conditions and the further provisions of the Storage Service Agreement. Southwest is not obligated to provide any storage service for which capacity is not available, which would constrain the operational efficiency of its facilities, or which would require the construction, purchase or acquisition of new facilities or the modification or expansion of existing facilities.

## 2.2 Injections into Storage

- (A) Shipper's MIQ shall be:
  - (1) West Area Storage Facilities
    - (a) 1/180th of the MAQ until ninety percent (90%) of the MAQ has been injected;
    - (b) Thereafter sixty percent (60%) of the volume specified in 2.2(A)(1)(a) above until ninety-five percent (95%) of the MAQ has been injected;
    - (c) Thereafter thirty-five percent (35%) of the volume specified in 2.2(A)(1)(a) above.

FERC Docket: RP00- 58-000

Original Sheet No. 27 Original Sheet No. 27: Effective

RATE SCHEDULE ISS (Continued)
INTERRUPTIBLE STORAGE SERVICE

- (2) East Area Storage Facilities
  - (a) 1/180th of the MAQ until seventy-five percent (75%) of the MAQ has been injected;
  - (b) Thereafter sixty percent (60%) of the volume specified in 2.2(A)(2)(a) above until ninety percent (90%) of the MAQ has been injected;
  - (c) Thereafter forty percent (40%) of the volume specified in 2.2(A)(2)(a) above.
- (B) Authorized Injection Overrun Quantities

Upon request of Shipper, Southwest may, but is not obligated to, inject on any Day Quantities in excess of Shipper's MIQ when, in Southwest's sole judgment, the capacity of its system will permit such injection without impairing the ability of Southwest to meet its other obligations.

(C) Injection During the Withdrawal Season

Upon request of Shipper, Southwest may, but is not obligated to, inject on any Day during the Withdrawal Season Quantities up to Shipper's MIQ and any Authorized Injection Overrun Quantities when, in Southwest's sole judgment, the capacity of its system will permit such injection without impairing the ability of Southwest to meet its other obligations.

# 2.3 Withdrawals from Storage

- (A) Shipper's MWQ shall be:
  - (1) West Area Storage Facilities
    - (a) 1/100th of the MAQ until fifty percent (50%) of the MAQ has been withdrawn;
    - (b) Thereafter sixty percent (60%) of the volume specified in 2.3(A)(1)(a) above until seventy-five percent (75%) of the MAQ has been withdrawn;
    - (c) Thereafter thirty-three percent (33%) of the volume specified in 2.3(A)(1)(a) above.

FERC Docket: RP00- 58-000

Original Sheet No. 28 Original Sheet No. 28: Effective

RATE SCHEDULE ISS (Continued)
INTERRUPTIBLE STORAGE SERVICE

(2) East Area Storage Facilities

- (a) 1/67th of the MAQ until sixty percent (60%) of the MAQ has been withdrawn;
- (b) Thereafter fifty percent (50%) of the volume specified in 2.3(A)(2)(a) above until eighty-five percent (85%) of the MAQ has been withdrawn;
- (c) Thereafter twenty-five percent (25%) of the volume specified in 2.3(A)(2)(a) above.
- (B) Authorized Withdrawal Overrun Quantities

Upon request of Shipper, Southwest may, but is not obligated to, withdraw on any Day Quantities in excess of Shipper's MWQ when, in Southwest's sole judgment, the capacity of its system will permit such withdrawal without impairing the ability of Southwest to meet its other obligations. Shipper shall pay Southwest the applicable Authorized Overrun Charge for such Quantities as set forth on Sheet No. 5.

(C) Withdrawal During Injection Season

Upon request of Shipper, Southwest may, but is not obligated to withdraw on any Day during the Injection Season Quantities of Gas up to Shipper's MWQ and any Authorized Withdrawal Overrun Quantities when, in Southwest's sole judgment, the capacity of its system will permit such withdrawal without impairing the ability of Southwest to meet its other obligations.

FERC Docket: RP00- 58-000

Original Sheet No. 29 Original Sheet No. 29: Effective

RATE SCHEDULE ISS (Continued)
INTERRUPTIBLE STORAGE SERVICE

#### 3. RATE

The rates and charges for interruptible service under this Rate Schedule ISS shall include the applicable storage rate components per Dt as described in Sections 3.1, 3.2 and 3.3.

#### 3.1 Storage Charges

For storage service rendered to Shipper under this Rate Schedule ISS, Shipper shall pay Southwest each Month the Inventory Charge. The monthly charge per Dt is determined by multiplying the Average Storage Balance for the billing month by the Inventory Charge rate as set forth on the effective Tariff Sheet No. 5 of this Tariff.

#### 3.2 Authorized Overrun Charge

The Authorized Overrun Charge shall be equal to the applicable Authorized Overrun Charge rate, as set forth on the effective Tariff Sheet No. 5, multiplied by the Quantity of Gas withdrawn from Southwest's facilities pursuant to Section 2.3(B).

# 3.3 Fuel Reimbursement

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

### 3.4 Range of Rates

Unless otherwise agreed upon by Shipper and Southwest, the rates applicable to a Shipper for service hereunder shall be the applicable Maximum Rate(s) as set forth on the effective Tariff Sheet No. 5. In the event an amount less than the applicable Maximum Rate(s) and not less than the applicable Minimum Rate(s) is agreed upon, such amount shall be confirmed in writing by Southwest, shall be applied prospectively and Southwest shall be responsible for compliance with any reporting requirements prescribed by the Commission.

FERC Docket: RP00- 58-000

Original Sheet No. 30 Original Sheet No. 30: Effective

RATE SCHEDULE ISS (Continued)
INTERRUPTIBLE STORAGE SERVICE

#### 3.5 Annual Charge Adjustment Provision (ACA)

Shipper shall pay the ACA Unit Charge which has been assessed by the Federal Energy Regulatory Commission pursuant to Section 382.202 of the Regulations. The ACA Unit Charge shall be reflected on Sheet No. 5 of this Tariff and shall be added to the respective Volume Injection Charge component of Southwest's rates.

# 4. MONTHLY BILL

The monthly bill for storage service shall be the sum of the applicable storage charges as defined in Section 3.1, the ACA Unit Charge, and an Authorized Overrun Charge, if applicable.

#### 5. RESERVATIONS

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

#### 6. GENERAL TERMS AND CONDITIONS

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

Effective Date: 12/15/1999 Status: Effective FERC Docket: RP00- 58-000

Sheet Nos. 31 - 99 Sheet Nos. 31 - 99 : Effective

RESERVED FOR FUTURE USE.

Effective Date: 05/17/2009 Status: Effective

FERC Docket: RP09-514-000

# Third Revised Sheet No. 100 Third Revised Sheet No. 100

Superseding: Second Revised Sheet No. 100

# GENERAL TERMS AND CONDITIONS INDEX

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FERC Docket: RP09-514-000

Second Revised Sheet No. 101 Second Revised Sheet No. 101

Superseding: First Revised Sheet No. 101

#### GENERAL TERMS AND CONDITIONS

The following General Terms and Conditions are applicable to all services provided herein:

#### 1. DEFINITIONS

"Average Storage Gas Balance" shall mean the sum of the daily Storage Gas Balance divided by the number of Days in a particular Month.

"Business Day" shall mean Monday through Friday from 8:00 a.m. to 5:00 p.m. Central Time, excluding Federal Banking Holidays.

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

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

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

"Dekatherm (Dt)" shall mean one thousand cubic feet of gas (Mcf) with a heat content of 1,000 Btu per cubic foot on a measurement basis specified under Section 9.2 herein and based on the same pressure base as the volumes.

"East Area Storage Facilities" shall mean those storage facilities owned by Southwest and known as the Howell Storage Field located in Livingston County, Michigan and the Waverly Storage Field located in Morgan and Sangamon Counties, Illinois.

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

Effective Date: 09/22/2004 Status: Effective

FERC Docket: RP04-481-000

Second Revised Sheet No. 102 second Revised Sheet No. 102 : Effective

Superseding: First Revised Sheet No. 102

GENERAL TERMS AND CONDITIONS

(Continued)

#### 1. DEFINITIONS (Continued)

"Fuel Reimbursement" shall mean the reimbursement in kind to Southwest by Shipper for fuel usage and lost or unaccounted for gas.

"Injection Season" shall mean the months of April, May, June, July, August, September and October.

"Long-Term Agreement" shall mean a Storage Service Agreement with a primary term of one year or more.

"Maximum Daily Injection Quantity (MIQ)" shall mean the maximum Quantity which Southwest is obligated to inject for Shipper on any Day during the Injection Season as described in Section 2.2 of the applicable Rate Schedule.

"Maximum Daily Withdrawal Quantity (MWQ)" shall mean the maximum Quantity which Southwest is obligated to withdraw for Shipper on any Day during the Withdrawal Season as described in Section 2.3 of the applicable Rate Schedule.

"Maximum Rate" shall mean the applicable Maximum Rate as set forth on the currently effective Tariff Sheet No. 5, plus all surcharges specified in the General Terms and Conditions, as may be applicable from time to time.

Maximum Annual Quantity (MAQ)" shall mean the maximum Quantity of Gas which Southwest is obligated to hold for the account of Shipper.

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

"Minimum Rate" shall mean the applicable Minimum Rate as set forth on the currently effective Tariff Sheet No. 5.

Effective Date: 10/01/2007 Status: Effective

FERC Docket: RP07-684-000

Third Revised Sheet No. 103 Third Revised Sheet No. 103: Effective

Superseding: Second Revised Sheet No. 103

GENERAL TERMS AND CONDITIONS (Continued)

#### 1. DEFINITIONS (Continued)

"Month" shall mean the period beginning at 9:00 a.m. Central Time on the first Day of the calendar month and continuing through the last Day of the calendar month.

"Point of Delivery" shall mean the interconnect of Panhandle Eastern Pipe Line Company, LP's (Panhandle) transmission facilities and Southwest's East Area Storage Facilities or West Area Storage Facilities whereby Southwest delivers gas withdrawn to or for the account of Shipper.

"Point of Receipt" shall mean the interconnect of Panhandle's transmission facilities and Southwest's East Area Storage Facilities or West Area Storage Facilities whereby Southwest receives gas for injection from or for the account of Shipper.

"Pre-arranged Replacement Shipper (PRS)" shall mean the entity designated by Releasing Shipper prior to the released capacity being posted on the Messenger system. The PRS must be on the approved bidders list in accordance with Section  $6.4\,(\text{A})$  of the General Terms and Conditions and will become a Replacement Shipper upon selection of its bid as the best bid.

"Quantity of Gas" or "Quantities" shall mean the number of units of gas expressed in Dekatherms (Dt).

"Releasing Shipper" shall mean a firm Shipper that releases capacity pursuant to Section 6 herein.

"Replacement Shipper" shall mean any entity that obtains capacity from a Releasing Shipper pursuant to Section 6 herein.

"Southwest" shall mean Southwest Gas Storage Company.

Effective Date: 05/17/2009 Status: Effective

FERC Docket: RP09-514-000

Third Revised Sheet No. 104 Third Revised Sheet No. 104

Superseding: Second Revised Sheet No. 104

GENERAL TERMS AND CONDITIONS (Continued)

#### 1. DEFINITIONS (Continued)

"Storage Gas Balance" shall mean the Quantity of Gas, expressed in dekatherms, held by Southwest in storage for Shipper's account at any point in time.

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

"West Area Storage Facilities" shall mean those storage facilities owned by Southwest and known as the Borchers Storage Field located in Meade County, Kansas and the North Hopeton Storage Field located in Woods County, Oklahoma in addition to acquired off-system storage service.

"Withdrawal Season" shall mean the months of November, December, January, February and March.

FERC Docket: RP00- 58-000

Original Sheet No. 105 Original Sheet No. 105: Effective

GENERAL TERMS AND CONDITIONS (Continued)

#### 2. REQUESTS FOR SERVICE

2.1 Persons desiring storage service must first deliver a written, properly executed request for storage service to Southwest at the following address:

> Southwest Gas Storage Company Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375 Fax: (713) 989-1178

2.2 Information Required

The specific information required from a Shipper for a valid request for storage service provided hereunder shall include, at a minimum, the following information in writing:

- (A) Maximum Annual Quantity (MAQ) expressed in dekatherms;
- (B) Maximum Daily Injection Quantity (MIQ) and Maximum Daily Withdrawal Quantity (MWQ);
- (C) The date on which service is requested to commence;
- (D) The date on which service is requested to terminate;
- (E) The complete legal name and legal description of Shipper;
- (F) The type of entity represented by Shipper (ie. LDC, Intrastate, Interstate, End User, Marketer, Producer, or other);
- (G) The name, title, mailing address, and telephone number of the person designated by Shipper for purpose of nominations and scheduling under Section 3 herein; and
- (H) The information, including mailing address of Shipper, necessary for billing under Section 12 herein.

FERC Docket: RP00- 58-000

Original Sheet No. 106 original Sheet No. 106: Effective

GENERAL TERMS AND CONDITIONS (Continued)

2. REQUESTS FOR SERVICE (Continued)

#### 2.3 Credit Appraisal

- (A) The firm storage service rendered hereunder (including capacity release pursuant to Section 6) is contingent upon Shipper satisfying a credit appraisal by Southwest. Such credit appraisal shall be based upon the following information and criteria:
  - (1) Shipper shall provide current financial statements, annual reports, 10-K reports, filings with regulatory agencies, a list of all corporate affiliates, parent companies and subsidiaries, and any reports from credit reporting and bond rating agencies which are available. Southwest shall apply consistent evaluation practices to determine the acceptability of the Shipper's overall financial condition, working capital, and profitability trends.
  - (2) Shipper shall provide a bank reference and at least two trade references. The results of reference checks and any credit reports submitted in Section 2.3(A)(1) must show that Shipper's obligations are being paid on a reasonably prompt basis.
  - (3) Shipper shall confirm that Shipper is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act but only with adequate assurance that the billing for storage service rendered hereunder will be paid promptly pursuant to Section 12 as a cost of administration under the Federal Court's jurisdiction.

FERC Docket: RP00- 58-000

Original Sheet No. 107 Original Sheet No. 107: Effective

GENERAL TERMS AND CONDITIONS (Continued)

2. REQUESTS FOR SERVICE (Continued)

- (4) Shipper shall confirm in writing that Shipper is not subject to uncertainty in any pending liquidation or regulatory proceedings in state or Federal courts which could cause a substantial deterioration in its financial condition, which could cause a condition of insolvency, or the ability to exist as an on-going business entity.
- (5) If Shipper has an on-going business relationship with Southwest, no delinquent balances should be consistently outstanding for natural gas storage services made previously by Southwest and Shipper must have paid its account during the past according to the established terms and not made deductions or withheld payment for claims not authorized by contract.
- (6) Shipper shall confirm in writing that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the business entity's ability to remain solvent.
- (B) If a Shipper fails to satisfy the credit criteria, such Shipper may still obtain storage hereunder if it elects one of the following options: (1) payment of an advance deposit equal to three (3) months service; (2) a standby irrevocable letter of credit drawn on a bank acceptable to Southwest; (3) a security interest in collateral provided by Shipper found to be satisfactory to Southwest; or (4) a guarantee, acceptable to Southwest, by a person or another entity which does satisfy the credit appraisal.
- 2.4 A Request for storage shall not be deemed to have been received and accepted by Southwest until Southwest has received in writing the information required or requested under Sections 2.2 and 2.3 herein. If Southwest requests additional information or assurances in accordance with this Section, and such information is provided within seven (7) days of such request, Shipper's Request for storage will be deemed to have been received when the information set forth in Section 2.2 was received. Otherwise Shipper's Request for storage will be deemed to have been received when such additional information or assurances actually were received in writing by Southwest.

Effective Date: 05/25/2003 Status: Effective

FERC Docket: RP00-471-001

First Revised Sheet No. 108 First Revised Sheet No. 108 : Effective

Superseding: Original Sheet No. 108

GENERAL TERMS AND CONDITIONS (Continued)

2. REQUESTS FOR SERVICE (Continued)

- 2.5 Southwest may require such other information as is required to comply with regulatory reporting or filing requirements.
- 2.6 A request for Firm Storage Service hereunder, other than capacity release pursuant to Section 6, must be accompanied by one (1) month's payment of the applicable Capacity Charge and Deliverability Charge in accordance with Section 3.1 of Rate Schedule FSS to be deemed a valid request. Such payment must be made by Shipper to Southwest. When service is commenced, this payment plus the interest accrued from the date payment is received until the date service has commenced will be used to offset Shipper's monthly bill. If Shipper's request expires, Southwest will refund Shipper's payment plus the accrued interest from the date payment is received until the refund is sent to Shipper. For purposes of this Section, accrued interest will be computed in a manner consistent with Section 154.501(d) of the Commission's Regulations.
- 2.7 In the event that any information provided by Shipper or potential Shipper in this Section 2 changes or is expected to change, Shipper or potential Shipper shall provide prompt written notice of such changes to Southwest.
- 2.8 In the event that a Shipper or potential Shipper may have any complaints, Shipper or potential Shipper shall:
  - (A) Provide Southwest a written description of the complaint, including the identification of Shipper's contract number or request for service, whichever is applicable, by contacting Southwest at the following:

Southwest Gas Storage Company Attn: Customer Services P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375

(B) Southwest shall respond initially within forty-eight (48) hours and in writing within thirty (30) days advising Shipper or potential Shipper of the disposition of the complaint. Effective Date: 10/01/2002 Status: Effective

FERC Docket: RP02-447-000

First Revised Sheet No. 109 First Revised Sheet No. 109: Effective

Superseding: Original Sheet No. 109

GENERAL TERMS AND CONDITIONS (Continued)

#### 3. NOMINATION AND SCHEDULING OF SERVICES

#### 3.1 Nomination Procedures

- (A) Shipper shall furnish or cause to be furnished to Southwest written nominations showing the daily Quantity of Gas to be injected or withdrawn by Southwest. The quantity of gas nominated at each Point of Receipt shall not exceed the MIQ, plus applicable Fuel Reimbursement Quantity, and the Quantity of Gas nominated at each Point of Delivery shall not exceed the MWQ, plus Fuel Reimbursement. Such nomination shall reflect Shipper's contract number, the Quantity of Gas to be injected or withdrawn, including Fuel Reimbursement Quantity, for each Point of Receipt and each Point of Delivery.
- (B) At the time a nomination is made for injection or withdrawal of gas, Shipper shall identify to Southwest the related transportation agreement(s) associated with deliveries to, or withdrawal from Southwest's storage fields.
- (C) Next Day Service

Shipper shall have the right to submit in writing a new nomination for any Day by submitting notice by 11:30 a.m. Central Time the preceding Day or such later time acceptable to Southwest. Such new or revised nomination shall conform to the requirements of Section 3.1 herein. Overrun Quantities may be requested either in Shipper's regular nomination or in a separate nomination.

The nomination timeline in Central Time on the day prior to gas flow shall be the following:

The Timely Nomination Cycle

11:30 a.m. Nomination leaves control of the Shipper

11:45 a.m. Receipt of nomination by Southwest (including from title transfer tracking service providers)

12:00 p.m. Southwest provides quick response for validity of data elements

FERC Docket: RP00- 58-000

Original Sheet No. 110 Original Sheet No. 110: Effective

GENERAL TERMS AND CONDITIONS (Continued)

3. NOMINATION AND SCHEDULING OF SERVICES (Continued)

3:30 p.m.Completed confirmations from upstream and downstream connected parties

4:30 p.m.Scheduled Quantities made available by Southwest for receipt by Shipper and point operator

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

Shipper shall specify a begin date and an end date for each nomination. Such begin date and end date shall be within the term of Shipper's Storage Service Agreement. 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. Should Shipper fail to provide this nomination on or before the nomination deadline, Southwest may deem Shipper's nomination to be zero.

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

(D) Intra-day Nominations

Any nomination submitted after the deadline set forth in Section 3.1(B) above shall be an intra-day nomination. An intra-day nomination shall be effective for one Day only. An intra-day nomination shall specify an effective date, time and the daily Quantity. The interconnected parties shall agree on the hourly flows for such Day.

Effective Date: 03/01/2004 Status: Effective

FERC Docket: RP04-146-000

Second Revised Sheet No. 111 Second Revised Sheet No. 111: Effective

Superseding: First Revised Sheet No. 111

GENERAL TERMS AND CONDITIONS

(Continued)

3. NOMINATION AND SCHEDULING OF SERVICES (Continued)

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

The Evening Nomination Cycle

| 6:00  | p.m. | Nomination leaves control of the Shipper   |
|-------|------|--|
| 6:15  | p.m. | Receipt of nomination by Southwest (including from title transfer tracking service providers)                                  |
| 6:30  | p.m. | Southwest provides quick response for validity of data elements  |
| 9:00  | p.m. | Completed confirmations from upstream and downstream connected parties   |
| 10:00 | p.m. | Scheduled Quantities provided by Southwest to affected Shippers, point operators and bumped parties (notice to bumped parties) |

Scheduled Quantities resulting from an Evening Nomination that does not cause another Shipper to receive notice that it is being bumped should be effective at 9:00 a.m. on the gas Day; and when an Evening Nomination causes another Shipper to receive notice that it is being bumped, the scheduled Quantities should be effective at 9:00 a.m. on the gas Day. Bumped parties shall be notified of such bump through the Messenger system and the Web Site and by telephone and facsimile transmission.

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

(1) The Intra-day 1 Nomination Cycle

| 10:00 a.m. | Nomination leaves control of the Shipper  |
|------------|---|
| 10:15 a.m. | Receipt of nomination by Southwest (including from title transfer tracking service providers) |
| 10:30 a.m. | Southwest provides quick response for validity of data elements                               |

FERC Docket: RP04-146-000

Second Revised Sheet No. 112 Second Revised Sheet No. 112: Effective

Superseding: First Revised Sheet No. 112 GENERAL TERMS AND CONDITIONS (Continued)

3. NOMINATION AND SCHEDULING OF SERVICES (Continued)

| 1:00 p.m. | Completed   | confirmation  | ns from | upstream | and |
|-----------|-------------|---------------|---------|----------|-----|
|           | downst.rear | n connected r | parties |          |     |

Scheduled Quantities provided by Southwest to 2:00 p.m. affected Shippers, point operators and bumped parties (notice to bumped parties)

5:00 p.m. Intra-day 1 nomination effective

Bumped parties shall be notified of such bump through the Messenger system and the Web Site and by telephone and facsimile transmission.

(2) The Intra-day 2 Nomination Cycle

| 5:00 p. | .m. | Nomination | leaves | control | of | the | Shipper |
|---------|-----|------------|--------|---------|----|-----|---------|
|---------|-----|------------|--------|---------|----|-----|---------|

5:15 p.m. Receipt of nomination by Southwest (including from title transfer tracking service providers)

Southwest provides quick response for 5:30 p.m. validity of data elements

8:00 p.m. Completed confirmations from upstream and downstream connected parties

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

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

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

Any Shipper shall have the right for any Day to submit in writing intra-day nominations for any storage service, subject to operator confirmation and verification and Southwest's operating conditions. Such intra-day nomination shall conform to the requirements of Section 3.1(A) herein.

FERC Docket: RP05-474-001

Original Sheet No. 112A Original Sheet No. 112A: Effective

GENERAL TERMS AND CONDITIONS (Continued)

3. NOMINATION AND SCHEDULING OF SERVICES (Continued)

For purposes of this Section 3.1(D), "provide" shall mean, for transmittals pursuant to standards 1.4.x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.

FERC Docket: RP00- 58-000

Original Sheet No. 113 Original Sheet No. 113: Effective

GENERAL TERMS AND CONDITIONS (Continued)

## 3. NOMINATION AND SCHEDULING OF SERVICES (Continued)

- (E) Shipper may change the person designated to provide the nomination information as set forth in the storage service agreement. If Shipper designates another person to provide this information, Southwest shall be entitled to rely on the nominations previously provided by Shipper unless and until Southwest receives written notice to the contrary.
- (F) Nominations shall also specify such information necessary to permit Southwest to accept Commission approved or permitted standard data elements to perform service.
- (G) Southwest shall have the unqualified right to commingle gas stored hereunder with gas from other sources, and to treat and handle all such gas as its own. It is recognized that gas redelivered will not be the same molecules as those received at the Point of Receipt.
- 3.2 Scheduling Procedure for Storage

The Quantities nominated for storage by Shipper shall be scheduled by Southwest for injection, withdrawal and storage in the following order:

- (A) Firm storage service;
- (B) Interruptible storage service charged the applicable Maximum Rate;
- (C) Interruptible storage service charged a rate less than the applicable Maximum Rate in sequence starting with the rate most proximate to the Maximum Rate;

Within each of these categories, storage shall be scheduled, to the extent practicable, to maintain the existing volumes of service to each Shipper. Next, within each of these categories, storage shall be scheduled in sequence, starting with the earliest date of request for such service, and shall be scheduled pro rata for Quantities of interruptible service having the same date of request, where there is insufficient capacity to serve all nominations.

Authorized Overrun Withdrawal and Injection Quantities shall be scheduled as interruptible.

FERC Docket: RP00- 58-000

Original Sheet No. 114 Original Sheet No. 114: Effective

GENERAL TERMS AND CONDITIONS (Continued)

#### 4. CURTAILMENT AND INTERRUPTION

Southwest shall have the right to curtail, interrupt or discontinue service in whole or in part on its system at any time under the following conditions and in the following manner:

- 4.1 Operating or remedial curtailment or interruption may be ordered by Southwest at any time if in Southwest's judgment capacity or operating conditions so require or it is desirable or necessary to make modifications, repairs or operating changes, the conduct of which will be affected thereby, upon such notice as is reasonable under the circumstances and in the following order, to the extent practicable:
  - (A) Interruptible storage service shall be curtailed first, commencing with service that at the time notice was given was being charged at a rate that is less than the Maximum Rate of Southwest then in effect under this Tariff in sequence starting with the rate least proximate to the Maximum Rate and then with service which was initially provided most proximate to the date notice is given by Southwest of the particular curtailment or interruption; next in order shall be all other interruptible storage service in sequence starting with service which was initially provided most proximate to the date notice is given by Southwest of the particular curtailment or interruption. In the event Shipper is receiving service at less than the applicable Maximum Rate and Southwest determines that interruption or curtailment of service is required, Southwest shall notify Shipper that Shipper will be required to pay the applicable Maximum Rate in order to avoid interruption or curtailment of service to the extent that any interruptible service is available as determined by Southwest. Shipper's election to pay the applicable Maximum Rate shall be a one-time election effective during such periods of interruption or curtailment regardless of duration. Shipper's election shall be made at the time Southwest and Shipper agree to such discounted rate.
  - (B) Firm storage service shall be curtailed last on a pro-rata basis. Such proration shall be based on Southwest's maximum firm contractual obligations to provide firm service.

FERC Docket: RP04-146-000

First Revised Sheet No. 115 First Revised Sheet No. 115 : Effective

Superseding: Original Sheet No. 115

GENERAL TERMS AND CONDITIONS (Continued)

# 4. CURTAILMENT AND INTERRUPTION (Continued)

4.2 Force Majeure curtailment or interruption may be ordered by Southwest as to service being performed by its system at any time when Force Majeure affects or in Southwest's judgment threatens to affect Southwest's ability to provide service, upon the giving of such notice as is reasonable under the circumstances.

## 4.3 Curtailment Compliance

- (A) Without regard to any other remedy provided by law or by the provisions hereof, Southwest shall be entitled to seek an order from the Commission or any other appropriate tribunal requiring compliance with curtailment or interruption ordered by Southwest in compliance with this Section 4 or any directive from any governmental authority having jurisdiction in the premises. Each Shipper and point operator shall designate one or more persons for Southwest to contact on operational matters on a 24-hour a day, 365 days a year basis. Telephone and facsimile numbers as well as e-mail address must be provided for such person or persons. If Southwest is unable to contact any Shipper or point operator because that Shipper's or point operator's contact person(s) is unavailable, such Shipper or point operator shall be responsible for any consequences arising from such failure of communications.
- (B) Southwest may at any time notify Shipper of an interruption pursuant to this Section 4, in which event Shipper must immediately cease deliveries to or receipt of gas from Southwest, in whole or in part as directed by Southwest, and may be required by Southwest to withdraw all or any part of the gas being held by Southwest for Shipper's account. If Shipper is required by Southwest to withdraw gas being held by Southwest for Shipper's account, Shipper shall be required to accept such gas over a period to be determined by Southwest and Shipper, but not to exceed five (5) Months.

# 4.4 Situation Reports and Notices

(A) Southwest shall provide Shipper with notice of curtailment or interruption at a time and in a manner that is reasonable under the existing conditions, and shall in any event confirm in writing the notice given if originally provided telephonically or electronically.

FERC Docket: RP00- 58-000

Original Sheet No. 116 original Sheet No. 116: Effective

GENERAL TERMS AND CONDITIONS (Continued)

4. CURTAILMENT AND INTERRUPTION (Continued)

- (B) Shipper shall have the responsibility to inform its suppliers, transporters and all others involved in the transaction, as to any curtailment or interruption.
- (C) Shipper shall indemnify Southwest against and hold Southwest harmless from any and all damages, claims, suits, actions or proceedings whatsoever threatened or initiated as a result of any curtailment or interruption invoked by Southwest.

FERC Docket: RP00-471-001

First Revised Sheet No. 117 First Revised Sheet No. 117: Effective

Superseding: Sub Original Sheet No. 117

GENERAL TERMS AND CONDITIONS (Continued)

# 5. OPERATIONAL FLOW ORDERS (OFOs)

5.1 Southwest shall have the right to issue an OFO to any Shipper when, in Southwest's sole judgment, it is required to alleviate conditions which threaten system integrity, safety or service or to ensure compliance with the provisions contained in this Tariff. An OFO may be issued on a contract basis or on all or a portion of the system. During conditions which threaten system integrity, safety or service, an OFO will not be issued to protect interruptible service.

Examples of conditions which may cause OFOs to be issued include, but are not limited to:

- (A) Actual injections exceeding scheduled injections causing high pressure to back off scheduled injections;
- (B) Unscheduled storage facility maintenance and repairs affecting capacity;
- 5.2 Prior to issuing an OFO, Southwest will take all reasonable actions to minimize the issuance and adverse consequences of the
- 5.3 Any Shipper subject to an OFO will be deemed to be in compliance with the OFO if its actual Quantities do not vary from the Quantities specified in the OFO by more than the tolerance level stated in the OFO, which shall not be less than two percent (2%). If the actual Quantities vary from the Quantities specified in the OFO by more than the tolerance level, the excess variance shall be subject to a \$25 per Dt penalty; provided, however, in no event will this penalty apply until Shipper has had at least four (4) hours to take the actions required to comply with the OFO or is unable to comply due to force majeure, as defined in Section 15 herein. Southwest shall accommodate Shipper's nomination to comply with an OFO, to the extent that such nomination does not affect any other Shipper's scheduled Quantities, at times other than the intra-day nomination cycles identified in Section 3.1(D) of the General Terms and Conditions.
- 5.4 Nothing shall limit Southwest's right to take action as may be required to physically adjust actual injections and actual withdrawals of gas in order to alleviate conditions which threaten the integrity of its storage facilities.

FERC Docket: RP04-146-000

Second Revised Sheet No. 118 second Revised Sheet No. 118 : Effective

Superseding: First Revised Sheet No. 118

GENERAL TERMS AND CONDITIONS
(Continued)

- 5. OPERATIONAL FLOW ORDERS (OFOs)
  - 5.5 Situation Reports and Notices
    - (A) Southwest shall provide Shipper with as much advance notice of OFOs as is reasonable under then existing conditions through the Messenger system and the Web Site and by telephone and by facsimile or via e-mail communication. Each Shipper and point operator shall designate one or more persons for Southwest to contact on operational matters on a 24-hour a day, 365 days a year basis. Telephone and facsimile numbers as well as e-mail address must be provided for such person or persons. If Southwest is unable to contact any Shipper or point operator because that Shipper's or point operator's contact person(s) is unavailable, such Shipper or point operator shall be responsible for any consequences arising from such failure of communications. The notice will provide the time and date the OFO is to become effective, the time the OFO is expected to remain in effect, the action required of the Shipper, the reason for issuing the OFO, together with operating variables providing the basis for issuing the order, and any other information which may be required in the circumstances. Ordinarily, the notice will be issued by 10:00 a.m. CT on the Gas Day before the OFO is to be effective. The OFO will ordinarily become effective at 9:00 a.m. CT on the following Gas Day. When operating conditions so require, three hours notice, or lesser notice if necessary, may be given. An OFO may be issued for a specific period of time or until further notice is given. Such notice shall be provided to the person, including any agent, designated by the Shipper to submit or confirm nominations. Southwest will post notification and provide updated information concerning the need for the OFO on the Messenger system and the Web Site at the commencement of the Gas Day until Southwest notifies the Shipper that the order is no longer effective. Within a reasonable time after the OFO terminates, Southwest will post on the Messenger system and the Web Site a report detailing the conditions that required the issuance and termination of the OFO.
    - (B) Southwest shall have no responsibility to inform Shipper's end users, suppliers, other transporters or any others involved in the transaction, as to any OFO.

FERC Docket: RP04-146-000

Original Sheet No. 118A Original Sheet No. 118A: Effective

GENERAL TERMS AND CONDITIONS (Continued)

5. OPERATIONAL FLOW ORDERS (OFOs)

(C) Shipper shall indemnify Southwest from and against any and all losses, damages, expenses, claims, suits, actions, and proceedings whatsoever threatened, incurred, or initiated as a result of Southwest's performance hereunder, except to the extent such loss, damage, expense, claim, suit, action or proceeding is the result of Southwest's negligence, bad faith or willful misconduct.

FERC Docket: RP04-146-000

Second Revised Sheet No. 119 second Revised Sheet No. 119 : Effective

Superseding: First Revised Sheet No. 119

GENERAL TERMS AND CONDITIONS

(Continued)

#### 6. CAPACITY RELEASE

6.1 Capacity Eligible for Release

Shippers under Rate Schedule FSS shall be permitted to release their capacity on a temporary or permanent basis, in accordance with this Section 6. Capacity which may be assigned to the Replacement Shipper hereunder shall be limited to the firm capacity reserved by the Releasing Shipper, as defined by the primary Points of Receipt and the primary Points of Delivery contained in the released capacity. Releases may be made on an interruptible (i.e., subject to recall) or firm basis and shall be billed by Southwest based on usage.

## 6.2 Shipper Release Notice

- (A) A Shipper that desires to release any or all of its firm capacity under this Section 6 must notify Southwest electronically on the Messenger system or through electronic data interchange of its intent to release capacity and the terms of the release (hereinafter referred to as "Shipper Notice"). A Shipper Notice shall be posted on the Messenger system upon receipt by Southwest or such later time which must comply with the timeline set forth in Section 6.4(B) herein, as requested by Releasing Shipper. This Shipper Notice shall include:
  - (1) Releasing Shipper's contract number;
  - (2) The specific quantity of capacity to be released;
  - (3) If the request for release is on a permanent basis;
  - (4) The Points of Receipt and Points of Delivery at which Releasing Shipper will release capacity and the quantity of capacity to be released at each point;

FERC Docket: RP09-248-000

Third Revised Sheet No. 120 Third Revised Sheet No. 120

Superseding: Second Revised Sheet No. 120

GENERAL TERMS AND CONDITIONS (Continued)

## 6. CAPACITY RELEASE (Continued)

- (5) The period of time or term of the release;
- (6) The conditions of Releasing Shipper's right of recall as well as methods and rights associated with returning the previously recalled capacity to the Replacement Shipper, if applicable;
- (7) Whether contingent bids will be accepted and when the contingency must be removed;
- (8) The identity of a Pre-arranged Replacement Shipper (PRS), if applicable;
- The minimum rate expressed in dollars and cents or percentage of Maximum Rate, term, and quantity of capacity Releasing Shipper shall accept, if any, and whether bids using a volumetric rate for the collection of Capacity and Deliverability Charges will be accepted and whether Releasing Shipper requires a volumetric commitment. The maximum volumetric rate that may be bid shall not exceed the one hundred percent (100%) load factor equivalent of the maximum Capacity and Deliverability reservation rates. Southwest shall support volumetric releases with volumetric commitments by fully accounting for volumetric and reservation components, consistent with the rules and regulations enunciated by the Commission. The maximum reservation rate that may be bid shall not exceed the Maximum Rate for the applicable service being released as set forth on the applicable currently effective tariff sheets. Notwithstanding the above, no rate limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Southwest is notified of the release;
- (10) The duration of the posting which may not be less than the minimum bid period specified in Section 6.4(B) herein;

FERC Docket: RP09-248-000

Third Revised Sheet No. 121 Third Revised Sheet No. 121

Superseding: Second Revised Sheet No. 121

GENERAL TERMS AND CONDITIONS (Continued)

#### CAPACITY RELEASE (Continued)

- (11) The best bid criterion is the method by which volumetric or contingent bids will be evaluated, and any alternate, objective and nondiscriminatory method for breaking ties. The best bid evaluation method, which is established by Releasing Shipper, must be objectively stated, applicable to all PRS or Replacement Shippers and not unduly discriminatory and shall enable Southwest to rank the bids received by utilizing the weight assigned by Releasing Shipper to each element of the Shipper Notice;
- (12) If the release is for any period of thirty-one (31) days or less and is exempt from bidding in accordance with Section 6.3(A), the Releasing Shipper may designate in the Shipper Notice the winning bid criterion to be the first acceptable bid received;
- (13) Restrictions, if any, on the PRS or Replacement Shipper's ability to request changes in Points of Receipt or Points of Delivery;
- (14) Whether the Shipper Notice may be rejected in part in the event Southwest rejects such Shipper Notice pursuant to Section 6.7; and
- (15) Whether the Replacement Shipper is (a) an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations and, if so, include the volumetric level of the asset manager's delivery or purchase obligation and the time period during which that obligation is in effect or (b) a marketer participating in a stateregulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.
- (B) Releasing Shipper shall post the Shipper Notice on the Messenger® system. Releasing Shipper may withdraw its Shipper Notice at any time prior to the close of the bid period specified in the Shipper Notice herein when unanticipated circumstances justify and no minimum bid has been made.
- (C) When a Releasing Shipper presents a PRS that is on the approved bidders list, such PRS shall acknowledge the Shipper Release Notice electronically.

FERC Docket: RP09-248-000

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Superseding: Fourth Revised Sheet No. 122

GENERAL TERMS AND CONDITIONS (Continued)

## 6. CAPACITY RELEASE (Continued)

(D) The terms Releasing Shipper imposes may not conflict with any provision of the Storage Service Agreement, Rate Schedule or General Terms and Conditions. In the event of such conflict, Southwest may withdraw the Shipper Notice from posting.

## 6.3 Exceptions to Bidding

- (A) The following capacity releases are exempt from the bidding process set forth in Section 6.4 herein:
  - (1) A capacity release for any period of thirty-one (31) days or less. A firm Shipper shall not roll over, extend or in any way continue such capacity release to the sam posted for bidding or that qualifies for any of the other exemptions from bidding set forth in Sections 6.3(A)(2), (3) or (4) below.
  - (2) A capacity release for more than one year at the maximum tariff rate.
  - (3) A capacity release to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations.
  - (4) A capacity release to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations.
- (B) In the event a capacity release is exempt from bidding in accordance with Section 6.3(A) herein, the Releasing Shipper presents a PRS that is on the approved bidders list, and such PRS agrees to all conditions of the release prior to the submission of the Shipper Notice to Southwest, the released capacity will be assigned to the PRS and such Shipper Notice shall be exempt from the bidding process in accordance with Section 6.4 herein. The PRS will be posted as the winning bidder in accordance with Section 6.4(I) herein.

FERC Docket: RP09-248-000

Second Revised Sheet No. 122A Second Revised Sheet No. 122A

Superseding: First Revised Sheet No. 122A

GENERAL TERMS AND CONDITIONS (Continued)

- 6. CAPACITY RELEASE (Continued)
  - (C) Timing of Capacity Releases Exempt from Bidding

For non-biddable releases, the posting of the Shipper Notice for prearranged deals not subject to bid are due (Central Time):

- (1) Timely Cycle by 10:30 a.m.
- (2) Evening Cycle by 5:00 p.m.
- (3) Intra-day 1 Cycle by 9:00 a.m.
- (4) Intra-day 2 Cycle by 4:00 p.m.

The capacity release addendum number will be issued within one hour of the award posting. Nomination is possible beginning at the next available nomination cycle for the effective date of the capacity release addendum.

FERC Docket: RP09-248-000

Fourth Revised Sheet No. 123 Fourth Revised Sheet No. 123

Superseding: Third Revised Sheet No. 123

GENERAL TERMS AND CONDITIONS (Continued)

## 6. CAPACITY RELEASE (Continued)

## 6.4 Bidding Process

- (A) In order to submit a valid bid under this capacity release program, any party, including a PRS, must be on the approved bidders list. To be on the approved bidders list, a party must meet the provisions of Section 2 herein and have executed a Capacity Release Service Agreement with Southwest in the form as set forth in this Tariff (Capacity Release Service Agreement). A party shall remain on the approved bidders list until such party notifies Southwest to the contrary, no longer meets the credit qualifications in Section 2.3 herein, or is suspended from the approved bidders list in the event and for such time as such party fails to pay part or all of the amount of any bill for service in accordance with Section 12 herein.
- (B) The capacity release timeline in Central Time is applicable to all parties involved in the Capacity Release process; however, it is only applicable if 1) all information provided by the parties to the transaction is valid and 2) there are no special terms or conditions of the release.
  - (1) For biddable releases (1 year or less)

On a Business Day

12:00 p.m. Time by which Releasing Shipper shall post the Shipper Notice on the Messenger® system

1:00 p.m. Bidding period ends

Evaluation period begins during which contingency is eliminated, determination of best bid is made and ties are broken

best bid is made and ties are broken

2:00 p.m. Evaluation period ends and award posting if

no match required

Match or award is communicated

2:30 p.m. Match response is due

 $3:00 \ \text{p.m.}$  Award posting where match is required

FERC Docket: RP09-248-000

Fourth Revised Sheet No. 124 Fourth Revised Sheet No. 124

Superseding: Third Revised Sheet No. 124

GENERAL TERMS AND CONDITIONS (Continued)

6. CAPACITY RELEASE (Continued)

(2) For biddable releases (more than 1 year)

The timeline is the same as biddable releases for less than 1 year except that the Releasing Shipper shall post the Shipper Notice on the Messenger® system by 12:00 p.m. Central Time four (4) Business Days before award. Open season ends no later than 1:00 p.m. Central Time on the Business Day before timely nominations are due (open season is three Business Days).

(3) Timeline for Releases with Special Conditions

If the Releasing Shipper specifies a bid evaluation methodology other than highest rate, net revenue or present value, or a permanent release or any other special conditions, the above timelines shall apply; provided, however, one additional Business Day will be added to the evaluation period. Such extended evaluation period shall cause gas flow to be at least one day later than gas could flow under the timeline set forth in Section  $6.4\,(B)\,(1)$  or Section  $6.4\,(B)\,(2)$ .

- (C) All bids must be expressed in dollars and cents or percents of Maximum Rate, whichever is stated in the Shipper Notice, include the required bid information and must be received and posted electronically through the Messenger® system. Bids shall be posted on the Messenger® system with any contingencies identified and with the bidder's identity deleted.
- (D) A bidder may submit only one bid at a time in response to a Shipper Notice. A bidder may withdraw its bid through the Messenger® system at any time prior to the close of the posting period specified in the Shipper Notice without prejudice to its submitting another bid with an economic value equal to or greater than the economic value of the withdrawn bid.
- (E) Where there is a PRS and a bid which is better than the bid submitted by the PRS, Southwest shall notify the PRS by 2:00 p.m. Central Time on the Day capacity is awarded and the PRS will have until 2:30 p.m. to match the better bid and obtain the right to the released capacity.

FERC Docket: RP04-146-001

Third Revised Sheet No. 125 Third Revised Sheet No. 125: Effective

Superseding: 1st Rev First Revised Sheet No. 125
GENERAL TERMS AND CONDITIONS
(Continued)

#### 6. CAPACITY RELEASE (Continued)

Southwest shall issue an Addendum to the PRS unless a better bid, established in accordance with Section  $6.2\,(A)\,(11)$  herein, is received within the time period specified in the posting. In the event the PRS does not match the better bid, Southwest shall issue an Addendum to the party who made the best bid.

- (F) All bids not withdrawn by written or electronic notice to Southwest prior to the close of the posting period specified in the Shipper Notice shall be binding. Bids cannot be withdrawn after the bid period ends.
- (G) In the event that a winning bid has a contingency, and Southwest is not notified through the Messenger system that such contingency has been removed within the time period specified in the Shipper Notice, such contingent bid will be rejected by Southwest.
- (H) The Releasing Shipper may define in the Shipper Notice the criteria for determining the best bid. If the Releasing Shipper does not specify the criteria, Southwest shall use the Net Present Value calculation as set forth in Section 7.3 herein to determine the best bid. If there are multiple bids meeting the minimum conditions, Southwest shall rank the bids and Southwest shall award the bids, best bid first, until all offered capacity is awarded. Southwest will notify, through the Messenger system by 2:00 p.m. Central Time following the end of the posting period, or by 3:00 p.m. Central Time if a matching period is applicable, the PRS or Replacement Shipper that capacity has been awarded.
- (I) Southwest shall post the winning bids and Replacement Shippers' identity on the Messenger system for at least five Business Days.
- 6.5 Rights and Obligations of Releasing Shipper
  - (A) Regardless of the amount of capacity Releasing Shipper releases under this Section 6, Releasing Shipper shall remain liable for the Capacity and Deliverability Charges attributable to the released capacity unless otherwise agreed to in writing and in advance by Southwest. In the event of a permanent release, Southwest may, and will not unreasonably refuse to, waive liability of Releasing Shipper for the Capacity and Deliverability Charges.

FERC Docket: RP03-451-000

Second Revised Sheet No. 126 second Revised Sheet No. 126 : Effective

Superseding: 2nd Rev Original Sheet No. 126

GENERAL TERMS AND CONDITIONS
(Continued)

## 6. CAPACITY RELEASE (Continued)

- (B) When capacity is awarded to Replacement Shipper, Releasing Shipper must adjust or reconfirm its nominations to reflect the capacity released. Southwest will automatically change Releasing Shipper's nominations to zero for the Service Agreement under which capacity was released unless such nominations are adjusted or reconfirmed by the Releasing Shipper.
- (C) Releasing Shipper shall retain all Rights of First Refusal with respect to the released capacity, unless such release is a permanent release.
- (D) In the event of termination of a Replacement Shipper's Addendum pursuant to Section 6.6(C) herein, the released capacity related to such Addendum will revert to the Releasing Shipper.
- (E) Releasing Shippers may, to the extent permitted as a condition of the capacity release, recall released capacity. The recall notification to Southwest shall specify the Quantity in terms of total released capacity entitlements.
- 6.6 Rights and Obligations of Replacement Shipper
  - (A) Any bid submitted will bind Replacement Shipper or PRS to the terms of the bid if Southwest selects such bid as the best bid. If all the information provided by the Releasing Shipper and the bidder/PRS is valid, the Replacement Shipper is creditworthy, and there are no special terms and conditions, Southwest will issue and execute the Addendum to the Capacity Release Service Agreement within one hour of awarding the winning bid. The capacity release addendum number also will be issued within one hour of the award posting.
  - (B) Replacement Shipper may submit nominations pursuant to Section 3 herein beginning at the next available nomination cycle for the effective date of the capacity release addendum; however, in no event will Gas flow on Replacement Shipper's Service Agreement prior to the effective date of the release as posted in the Shipper Notice.

FERC Docket: RP04-146-000

First Revised Sheet No. 127 First Revised Sheet No. 127: Effective

Superseding: Original Revised Sheet No. 127

GENERAL TERMS AND CONDITIONS (Continued)

## 6. CAPACITY RELEASE (Continued)

- (C) Replacement Shipper is responsible for payment of the applicable Capacity and Deliverability Charges, and any surcharges thereon, in the amount of its winning bid. Replacement Shipper is also responsible for all other billings, e.g., Injection Charge and Withdrawal Charge and applicable surcharges. In the event of payment default, subject to Section 12 herein, Southwest may elect to terminate that Replacement Shipper's Capacity Release Service Agreement which shall terminate all service thereunder utilized by the Replacement Shipper.
- (D) Once Replacement Shipper or PRS is notified of a winning bid, such Replacement Shipper or PRS shall have all the rights and obligations specified under the Releasing Shipper's Rate Schedule, the Releasing Shipper's Service Agreement and the General Terms and Conditions of this Tariff including the right to release firm capacity pursuant to this Section unless the conditions prescribed by the Shipper Notice require otherwise.
- (E) Replacement Shipper shall have no Right of First Refusal with respect to the released capacity, unless such release is permanent.

## 6.7 Rights and Obligations of Southwest

Southwest shall determine, in its sole discretion, the best bid based upon the best bid criteria established pursuant to Section 6.2(A)(11) or Section 6.4(H) herein. Southwest shall have the right, but not the obligation, to reject, in whole or in part, the terms of any Shipper Notice or bid which is discriminatory or conflicts with any order or regulation issued by the FERC, or provision of the Service Agreement, Rate Schedule or General Terms and Conditions. Such Shipper Notice shall be rejected in its entirety unless Shipper, pursuant to Section 6.2(A)(14), permits a partial rejection. Southwest shall provide simultaneous notification to Shipper, through the Messenger system, of the reason(s) for rejecting a release notice with the notice of rejection. Southwest shall not have any liability to any Shipper,

FERC Docket: RP09-248-000

Second Revised Sheet No. 128 Second Revised Sheet No. 128

Superseding: First Revised Sheet No. 128

GENERAL TERMS AND CONDITIONS (Continued)

## 6. CAPACITY RELEASE (Continued)

Releasing Shipper, Replacement Shipper, bidder or any other party as a result of Southwest's performance of its obligations under its capacity release program, and such Shippers, Releasing Shippers, Replacement Shippers, and bidders shall indemnify Southwest from and against any and all losses, damages, expenses, claims, suits, actions and proceedings whatsoever threatened, incurred or initiated as a result of Southwest's performance hereunder, except to the extent such loss, damage, expense, claim, suit, action or proceeding is the result of Southwest's negligence, bad faith or willful misconduct.

#### 6.8 Term

- (A) Any release under this Section 6 shall be for a minimum term of at least one Day.
- (B) Any release under this Section 6 shall be for a maximum term expiring on the earlier of:
  - (1) The last date this Tariff provision shall be effective;
  - (2) The expiration date of Releasing Shipper's Service Agreement when the release is for the full term of such agreement; or
  - (3) The expiration date specified by the Releasing Shipper in the Shipper Notice.

# 6.9 Billing Adjustments to Releasing Shipper

(A) Southwest shall credit Releasing Shipper's monthly bill to reflect the Capacity and Deliverability Charges (including surcharges, if any) invoiced to Replacement Shipper. In the event of a release with a volumetric rate, the volumetric rate shall be no greater than the 100% load factor equivalent of the Maximum Rate currently applicable to the service released and shall be credited to the Releasing Shipper's monthly bill. Replacement Shipper's payment of the Volume Injection Charge and Volume Withdrawal Charge and applicable usage surcharges, if any, shall be retained by Southwest. Notwithstanding the above, no 100% load factor equivalent limitation shall apply to a capacity release for a period of one year or less if the release is to take effect on or before one year from the date on which Southwest is notified of the release.

FERC Docket: RP00- 58-000

Original Sheet No. 129 Original Sheet No. 129: Effective

GENERAL TERMS AND CONDITIONS (Continued)

# 6. CAPACITY RELEASE (Continued)

- (B) If Replacement Shipper fails to pay all or any part of the Capacity and Deliverability Charges so credited within thirty (30) days of its due date, then such unpaid amount plus interest will be charged to Releasing Shipper's next monthly bill and will be due and payable by Releasing Shipper in accordance with Section 12 herein.
- (C) The Releasing Shipper and Southwest may agree that, in return for Southwest actively marketing the Releasing Shipper's Service Agreement, Southwest will reduce the Releasing Shipper's invoice credit by a negotiated marketing fee.

FERC Docket: RP04-146-000

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

Superseding: Original Sheet No. 130

GENERAL TERMS AND CONDITIONS (Continued)

#### 7. CONTRACTING FOR UNSUBSCRIBED CAPACITY

This Section 7 governs the order in which requests for storage service shall be accommodated when unsubscribed firm capacity, other than released capacity, becomes available. It does not govern scheduling, which is governed by Section 3 herein. Requests for firm capacity shall be accommodated in the following manner and subject to the following conditions and limitations:

- 7.1 In order to be eligible for firm capacity, a party requesting service (potential Shipper) must submit a valid request in accordance with the provisions of Section 2 herein.
- 7.2 Southwest will post on the Messenger system and the Web Site available capacity. A potential Shipper that submits a valid request may submit in writing a bid for the available capacity at any time. In the event of multiple bids, Southwest will evaluate the bids and determine the bid having the greatest economic value as determined in Section 7.3.
- 7.3 Southwest shall tender a Storage Service Agreement for execution to the potential Shipper submitting the bid having the greatest economic value for the capacity available, subject to the provisions of Section 7.5. The criteria for determining which potential Shipper has submitted the bid with the greatest economic value shall be the Net Present Value (NPV) of the capacity and deliverability charges that potential Shipper would pay at the rates potential Shipper has bid, which shall not be less than the Minimum Rate nor greater than the Maximum Rate, as stated on the currently effective Tariff Sheet governing such service, over the term of service specified in the request, utilizing a ten percent (10%) annual discount factor. For purposes of calculating each potential Shipper's NPV, the term will be limited to ten (10) years. If the economic values of separate service requests are equal, then service shall be offered in sequence starting with the request with the earliest date. If separate service requests have equal economic values and the same date of request, service shall be offered to such potential Shippers on a pro rata basis.
- 7.4 If potential Shipper fails to execute a Storage Service Agreement within thirty (30) Days of the date on which it was tendered by Southwest, potential Shipper's request for service may be considered withdrawn.

FERC Docket: RP00- 58-000

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

GENERAL TERMS AND CONDITIONS (Continued)

7.CONTRACTING FOR UNSUBSCRIBED CAPACITY (Continued)

7.5 Southwest shall not be obligated to tender or execute a Storage Service Agreement for service at any rate less than the Maximum Rate set forth in the effective Tariff Sheets applicable to the service requested. It shall be in Southwest's sole discretion to tender or execute a Storage Service Agreement at any rate less than the applicable Maximum Rate for the service requested. Southwest and potential Shipper both shall agree to any rate requested at less than the applicable Maximum Rate before Southwest becomes obligated to tender or execute a Storage Service Agreement for firm service at any rate less than the applicable Maximum Rate.

FERC Docket: RP04-146-000

Second Revised Sheet No. 132 second Revised Sheet No. 132 : Effective

Superseding: First Revised Sheet No. 132
GENERAL TERMS AND CONDITIONS
(Continued)

- 8. RIGHT OF FIRST REFUSAL
  - 8.1 Southwest shall continue to provide firm service pursuant to a Long-Term Agreement beyond the term specified in such Agreement
    - (A) The Long-Term Agreement is extended according to its terms; or
    - (B) Shipper exercises its Right of First Refusal pursuant to Section 8.2.
  - 8.2 The Right of First Refusal shall apply to a Long-Term Agreement for firm service that (1) is in effect prior to August 1, 2000 or (2) commences on or after August 1, 2000 and Shipper has agreed to pay the Maximum Rate applicable for the service, or, if the service is not available for twelve (12) consecutive months, the Long-Term Agreement is for more than one year and provides for service at the Maximum Rate applicable to the service. If a Shipper's Agreement does not qualify for the right of first refusal under this Section 8, then Southwest in a not unduly discriminatory manner may agree otherwise with any such Shipper.
    - (A) If Southwest receives an acceptable offer for all or any portion of the capacity used to provide service under Shipper's Long-Term Agreement, Southwest shall notify Shipper of such offer and its terms no later than six (6) months prior to the expiration of the primary term of the Long-Term Agreement.
    - (B) Shipper shall be permitted to designate a Quantity of Gas less than its existing MAQ which Shipper wishes to retain under the Right of First Refusal.
    - (C) The criteria for determining the economic value shall be the Net Present Value (NPV) of the capacity and deliverability charges that Shipper would pay at the rates Shipper has bid, which shall not be less than the Minimum Rate nor greater than the Maximum Rate, as stated on the currently effective Tariff Sheet governing such service, over the term of service specified in the offer, utilizing a ten percent (10%) annual discount factor. Only revenues generated from the capacity and deliverability charge components will be used to calculate the NPV.

FERC Docket: RP04-146-000

First Revised Sheet No. 133 First Revised Sheet No. 133 : Effective

Superseding: Original Sheet No. 133

GENERAL TERMS AND CONDITIONS

(Continued)

- 8. RIGHT OF FIRST REFUSAL (Continued)
  - (D) Shipper shall respond to Southwest within thirty (30) days after Southwest's notification whether it will match the economic value of the offer for the Quantity of Gas Shipper wishes to retain.
  - (E) If Shipper agrees to match the economic value of such offer for the Quantity of Gas Shipper wishes to retain, Shipper shall execute a new Storage Service Agreement matching the economic value of the offer within thirty (30) days after Southwest tenders the Storage Service Agreement to Shipper.
  - 8.3 Southwest shall not be obligated to tender, execute or extend a Storage Service Agreement for service at any rate less than the Maximum Rate set forth on the effective Tariff Sheets applicable to the service requested. It shall be within Southwest's sole discretion to tender, execute or extend a Storage Service Agreement at any rate and economic value less than the applicable Maximum Rate and economic value for the service requested.
  - 8.4 A party desiring to bid on capacity that is subject to a right of first refusal must first meet all of the requirements for a request for service set forth in Section 2 herein, including submission of the applicable payment under Section 2.6 herein.

FERC Docket: RP00- 58-000

Original Sheet No. 134 Original Sheet No. 134: Effective

GENERAL TERMS AND CONDITIONS (Continued)

## 9. CONDITIONS OF RECEIPT AND DELIVERY

- 9.1 Southwest shall receive Quantities of natural gas from Shipper at the Point of Receipt and Southwest shall deliver Quantities of natural gas to Shipper at the Point of Delivery. Southwest and Shipper shall, by mutual agreement, establish the date of commencement of receipt and redelivery of gas hereunder. Receipts and redeliveries of gas hereunder shall be at uniform hourly and daily rates of flow as nearly as practicable.
- 9.2 Measurement shall be both volumetric and thermal, at a temperature of 60ø Fahrenheit and at a pressure of 14.73 psia, and on the basis of the methods prescribed and published by the American Gas Association in conjunction with the ANSI/API 2530 Report as now and any subsequent amendments thereof accepted and agreed upon between the parties if orifice meters are used, and in accordance with generally accepted industry practices, as mutually agreed upon, if positive or turbine meters are used.
  - The Btu content shall be determined by taking the arithmetic average of the heating value as recorded by recording calorimeter or other method of determination generally accepted in the industry. Flowing temperature shall be determined by a recording thermometer or EGM.
- 9.3 Shipper may witness Southwest's installation or maintenance of measuring equipment. Southwest shall not be required to verify accuracy more often than once during any thirty (30) day period. If, upon test, accuracy is found to be within 2% by volume (chromatograph/calorimeter within 0.5%), such equipment shall be assumed to be accurate. Any error exceeding these percentages will require correction to zero error of previous recordings back to the date error began. If beginning date of error is unknown, correction shall extend to one-half the time since the last test, not to exceed sixteen (16) days.

FERC Docket: RP00- 58-000

Original Sheet No. 135 Original Sheet No. 135: Effective

GENERAL TERMS AND CONDITIONS (Continued)

## 9. CONDITIONS OF RECEIPT AND DELIVERY (Continued)

- 9.4 Deliveries of gas at the Points of Receipt shall be at a pressure sufficient to enter Southwest's facilities at such point. Redeliveries of gas at the Points of Delivery shall be at such pressure as exists in Southwest's facilities. Gas received and redelivered shall be merchantable natural gas; shall be free of water and hydrocarbons in liquid form; shall contain not more than 7 pounds of water vapor per MMcf, 1.0 grain of hydrogen sulphide and twenty (20) grains of total sulphur per one hundred (100) cubic feet, 2% of carbon dioxide (by volume), and fifty (50) parts per million of oxygen; and shall not exceed one hundred twenty degrees (120ø) Fahrenheit in temperature. The gas shall have a total or gross heating value of not less than nine hundred fifty (950) Btu and not more than one thousand two hundred (1,200) Btu per cubic foot. Southwest shall not be obligated to accept gas for storage which does not meet these quality provisions.
- 9.5 Upon termination of storage service under Rate Schedule FSS or ISS, Shipper will balance any final imbalance within sixty (60) days of the date that Southwest notifies Shipper of any final imbalance. If at the end of such final balancing period, Southwest owes Shipper gas which Shipper has not received, Southwest will retain those Quantities free and clear of any adverse claims.

FERC Docket: RP00- 58-000

Original Sheet No. 136 Original Sheet No. 136: Effective

GENERAL TERMS AND CONDITIONS (Continued)

# 10.MISCELLANEOUS PURCHASES AND SALES

Nothing contained in this Tariff shall preclude Southwest from buying and selling gas to the extent necessary to maintain system pressure, to manage system storage, or to perform other functions in connection with storage.

FERC Docket: RP09-514-000

Fourth Revised Sheet No. 137 Fourth Revised Sheet No. 137

Superseding: Third Revised Sheet No. 137

GENERAL TERMS AND CONDITIONS (Continued)

## 11. ELECTRONIC COMMUNICATION SYSTEM

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

- The Messenger® system will provide on-line help, a search function that permits Users to locate all information concerning a specific transaction, and menus that permit Users to access separately each record in the capacity allocation log, notices of available capacity, affiliate and standards of conduct information. The Messenger® system will permit Users to electronically download a file from the Messenger® system and to split files into smaller files prior to such download. Information on the most recent entries shall appear ahead of older information. Southwest will purge completed transactions from current Messenger® system files after they have been posted for a minimum of ninety (90) days. Information that has been purged from the Messenger® system will be archived and may be retrieved from archives and made available in written or electronic format.
- The Messenger® system may be used to interactively: (a) execute or amend Storage Service Agreements, and provide and confirm nominations pursuant to the applicable Rate Schedule and these General Terms and Conditions; (b) execute a right of first refusal as an existing Shipper pursuant to Section 8 herein or submit a bid as a potential Shipper under Sections 6 or 7; (c) release capacity pursuant to Section 6 herein and (d) post a request for capacity pursuant to Section 6 or Section 7.

FERC Docket: RP04-481-000

Third Revised Sheet No. 138 Third Revised Sheet No. 138 : Effective

Superseding: Second Revised Sheet No. 138

GENERAL TERMS AND CONDITIONS (Continued)

- 11. ELECTRONIC COMMUNICATION SYSTEM (Continued)
  - 11.4 Through the Messenger system the User may obtain:
    - (A) Information concerning the availability of capacity for firm storage services in the Storage Fields, and whether the capacity is available from Southwest directly, through exercise of Shipper's right of first refusal, or through capacity release.
    - (B) A listing of Points of Receipt and Points of Delivery on Southwest's system.
    - (C) Southwest's currently effective FERC Gas Tariff.
  - 11.5 Electronic data interchange will be available on a nondiscriminatory basis to any party. A mutually acceptable agreement between Southwest and such party is required for electronic transmission of data.
  - 11.6 Any provisions of this FERC Gas Tariff requiring that matters be written or in writing, including the execution of Storage Service Agreements or amendments, are satisfied by utilizing electronic transmission through the Messenger system in accordance with the procedures for utilization of the Messenger system or electronic data interchange as provided for in the Commission approved or permitted data sets. All other provisions requiring items or information to be written or in writing remain unchanged.
  - 11.7 Should Southwest invalidate any password or USERID due to breach of confidentiality or unauthorized use of the Messenger system, pursuant to the Messenger Service Agreement, Southwest shall provide the Messenger User with notice and reason for the invalidation.

FERC Docket: RP00- 58-000

Original Sheet No. 139 Original Sheet No. 139: Effective

GENERAL TERMS AND CONDITIONS (Continued)

#### 12.STATEMENTS AND PAYMENTS

- 12.1 Southwest shall send to Shipper, on or before the 9th Business Day of each month, a billing of charges for service rendered in the preceding month. Such charges may be based on estimated Quantities if actual Quantities are unavailable in time to prepare the billing. In that event, Southwest shall provide, in the succeeding month's billing, an adjustment based on any difference between actual Quantities and estimated Quantities. Quantities at points where operational balancing agreements exist should be invoiced based on scheduled quantities.
- 12.2 Shipper shall pay Southwest within ten (10) days from the date on which the bill is sent for all charges billed in accordance with the provisions of the applicable Rate Schedule and these General Terms and Conditions. Should Shipper fail to pay part or all of the amount of any such bill, interest thereon shall accrue at an average prime interest rate computed in a manner consistent with Section 154.501(d) of the Commission's Regulations, from the due date until date of payment.
  - If such failure to pay continues for thirty (30) days after payment is due, then Southwest, in addition to any other remedy it may have, may suspend further receipt and/or redelivery of gas until such amount is paid after Southwest provides Shipper with twenty (20) days prior written notice.
- 12.3 In the event that an error is discovered in the invoiced amount hereunder, such error shall be adjusted within thirty (30) days of the determination thereof, provided that claim therefor shall have been made in writing.
  - (A) Measurement data corrections should be processed within 6 months of the production month with a 3 month rebuttal period.
  - (B) The time limitation for disputes of allocations should be 6 months from the date of the initial month-end allocation with a 3-month rebuttal period.

FERC Docket: RP00- 58-002

Sub Original Sheet No. 140 Sub Original Sheet No. 140 : Effective

GENERAL TERMS AND CONDITIONS (Continued)

## 12.STATEMENTS AND PAYMENTS (Continued)

(C) Prior period adjustment time limits should be 6 months from the date of the initial transportation invoice and 7 months from date of initial sales invoice with a 3-month rebuttal period, excluding government-required rate changes.

The above shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties' other statutory or contractual rights shall not otherwise be diminished by these standards.

- 12.4 Shipper agrees to reimburse Southwest for all filing or other fees, in connection with storage service provided under any Rate Schedule in this Tariff, that Southwest is obligated to pay to the Commission or to any other governmental authority having jurisdiction. The term "fees" as used herein, shall mean any fee or charge now or hereafter levied, assessed or made by any governmental authority on the gas itself or on the act, right or privilege of handling, storing, delivering or redelivering gas, however such fees or charges are measured.
- 12.5 In addition to all other rates and charges applicable to the service provided to Shipper, Shipper shall reimburse Southwest or cause Southwest to be reimbursed for any and all costs and expenses incurred in constructing, establishing or modifying the facilities required for receipt and delivery of Gas hereunder, unless otherwise agreed to in advance and in writing; provided, however, that Southwest may agree at its sole discretion to construct, modify, expand or acquire facilities to enable it to perform such services. The construction of new facilities must not create any significant operational problems for Southwest nor adversely alter the operation of the storage facilities or affect the rendition of existing service.

## 12.6 Order of Discounting

If and when Southwest discounts the rates applicable for service under any Storage Service Agreement under Rate Schedules included in Southwest's FERC Gas Tariff, the components of the currently applicable Maximum Rate shall be discounted in the following order: the first item discounted shall be the base rate followed by the surcharges established by the General Terms and Conditions.

FERC Docket: RP00- 58-000

Original Sheet No. 141 Original Sheet No. 141: Effective

GENERAL TERMS AND CONDITIONS (Continued)

## 13.RESPONSIBILITY, WARRANTY AND ASSIGNMENTS

- 13.1 Southwest shall be deemed to be in control and possession of the gas stored hereunder only after the gas is received for injection at the Point of Receipt, and before it is withdrawn and delivered at the Point of Delivery. Shipper shall be deemed to be in control and possession at all other times. The party deemed to be in control and possession of the gas shall be responsible for and shall indemnify the other party with respect to any losses, injuries, claims, liabilities or damages caused thereby and occuring while the gas is in its possession.
- 13.2 Except as provided in Section 12.4 herein, both Southwest and Shipper will, as to the gas it delivers or causes to be delivered to the other, indemnify and save the other harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said gas and/or to royalties, taxes, fees or charges thereon.
- 13.3 As to all matters within its actual or imputed control, Shipper represents and warrants that service hereunder and all arrangements incident thereto conform to applicable regulations, and agrees to indemnify and hold Southwest harmless against any and all actions, suits or proceedings, concerning such service or arrangements, which are brought before or instituted by any authority having jurisdiction.
- 13.4 Both Southwest and Shipper may assign or pledge the Storage Service Agreement and all rights and obligations thereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Southwest nor Shipper shall assign the Storage Service Agreement or any of its rights hereunder unless it shall first have obtained the written consent of the other. Such consent shall not be unreasonably withheld.

FERC Docket: RP09-514-000

Third Revised Sheet No. 142 Third Revised Sheet No. 142

Superseding: Second Revised Sheet No. 142

GENERAL TERMS AND CONDITIONS (Continued)

# 14. OPERATING CONDITIONS IN CONJUNCTION WITH AFFILIATES

- 14.1 All terms and conditions contained herein shall be applied in a uniform and nondiscriminatory manner consistent with Part 358 of the Commission's Regulations.
- 14.2 Except as permitted in Part 358 of the Commission's Regulations or otherwise permitted by Commission order, Southwest's transmission function employees will function independently of its marketing function employees.
- 14.3 Southwest will post on the Web Site the information required in Part 358 of the Commission's Regulations.

FERC Docket: RP00- 58-000

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

GENERAL TERMS AND CONDITIONS (Continued)

#### 15. FORCE MAJEURE

In the event, to the extent, and for so long as either Southwest or Shipper is unable, by reason of Force Majeure, to carry out its obligations hereunder, in whole or in part, the obligations of either of Southwest or Shipper, other than to make payments due, shall be suspended, in whole or in part. Force Majeure, as employed herein, shall mean any cause, whether of the kind herein enumerated or otherwise, not within the control of either of Southwest or Shipper claiming suspension, and which by the exercise of due diligence, either of Southwest or Shipper has been unable to prevent or overcome, including without limitation, acts of God, the government, or a public enemy; strikes, lockouts, or other industrial disturbances; wars, blockades, or civil disturbances of any kind; epidemics, landslides, hurricanes, earthquakes, crevasses, washouts, tornadoes, storms, fires, explosions, arrests, and restraints of governments or people; freezing of, breakage or accident to, or the necessity for making repairs or alterations to wells, machinery or lines of pipe; partial or entire failure of wells; and the inability of either Southwest or Shipper to acquire, or the delays on the part of either of Southwest or Shipper in acquiring, at reasonable cost and after the exercise of reasonable diligence: (a) any servitudes, rights of way grants, permits, or licenses; (b) any materials or supplies for the construction or maintenance of facilities; or (c) any permits or permissions from any governmental agency; if such are required to enable either of Southwest or Shipper to fulfill its obligations hereunder. Additionally, Southwest or Shipper shall be excused in whole or in part, from its performance, for the inability to obtain transportation from or through third party pipelines, or as a result of supervening or fortuitous events or circumstance, whether or not foreseeable, or within the contemplation of Southwest or Shipper at the time that the Storage Service Agreement was entered into, which makes performance of Southwest's obligations hereunder commercially impracticable. Either Southwest or Shipper claiming Force Majeure shall give to the other(s) notice and full particulars of such Force Majeure by telephone as soon as reasonably possible after the occurrence of the case relied on, and shall remedy such inability to perform with all reasonable dispatch; provided, however, that such requirement or remedy shall not require the settlement of strikes or lockouts by accession to the demands of those opposing either of Southwest or Shipper when such course is inadvisable in the discretion of either of Southwest or Shipper.

FERC Docket: RP00- 58-000

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

GENERAL TERMS AND CONDITIONS (Continued)

## 16.FUEL REIMBURSEMENT ADJUSTMENT

The Fuel Reimbursement percentages under Rate Schedules FSS and ISS shall be adjusted downward to reflect reductions and may be adjusted upward to reflect increases in fuel usage and lost and unaccounted for gas in accordance with this Section 16.

- 16.1 Filing of Fuel Reimbursement Adjustment
  - (A) Effective Date of Adjustment

The effective date of each Fuel Reimbursement Adjustment shall be November 1 and April 1.

(B) Filing Procedure

At least thirty (30) Days prior to the effective date of adjustment, Southwest shall file with the Commission and post, as defined by Section 154.2(d) of the Commission's Regulations, a schedule of effective Fuel Reimbursement Quantities, as determined in accordance with Section 16.2 hereof, together with supporting documentation.

(C) Fuel Reimbursement Adjustment Period

The Fuel Reimbursement Adjustment Period shall be the billing periods beginning with each Effective Date of Adjustment.

16.2 Computation of Effective Fuel Reimbursement Percentage

The effective Fuel Reimbursement Percentage shall be the sum of the current Fuel Reimbursement Percentage and the Annual Fuel Reimbursement Surcharge.

16.3 Computation of Current Fuel Reimbursement Percentage

The current Fuel Reimbursement Percentage shall be determined on the basis of (1) the estimated Quantities of Gas delivered to Southwest for the account of Shippers under Rate Schedules FSS and ISS and (2) the projected Quantities of Gas that shall be required for fuel usage and the lost or unaccounted for gas.

FERC Docket: RP00-471-001

First Revised Sheet No. 145 First Revised Sheet No. 145: Effective

Superseding: Original Sheet No. 145

GENERAL TERMS AND CONDITIONS (Continued)

16 FUEL REIMBURSEMENT ADJUSTMENT (Continued)

16.4 Computation of the Annual Fuel Reimbursement Surcharge

- (A) The Annual Fuel Reimbursement Surcharge shall be computed by dividing the balance four (4) Months prior to November 1 of the Deferred Fuel Reimbursement Account by Southwest's estimated Quantities of Gas for Storage under Rate Schedules FSS and ISS for the Recovery Period.
- (B) The Recovery Period for the Annual Fuel Reimbursement Surcharge shall be the twelve (12) billing Months beginning November 1.
- (C) Southwest shall maintain a Deferred Fuel Reimbursement Account with appropriate subaccounts, beginning with the effective date of this Section 16. For each billing Month, the applicable subaccounts shall be increased or decreased for a positive or negative change in Fuel Reimbursement for the billing Month.
- (D) A change in Fuel Reimbursement for each billing Month shall be the difference between (1) the applicable currently effective Fuel Reimbursement percentage for the billing Month multiplied by Shipper's Storage Quantities injected and withdrawn during the billing Month and (2) the actual Quantities of Gas expended for fuel usage and lost and unaccounted for gas reduced by Quantities of Gas retained pursuant to Section 9.5 during the billing Month.
- (E) Notice of Responsibility of Deferred Amounts

In the event this Section 16 shall be changed in any manner that adversely affects Southwest's recovery of the full amount of fuel amounts reflected in its deferred fuel accounts, each Shipper that received storage service during the period affected by such fuel adjustment deferred account shall be responsible to Southwest for its proportionate share of the amount of Southwest's unrecovered deferred fuel amounts for the storage services which they were provided.

FERC Docket: RP00-471-001

Original Sheet No. 145A Original Sheet No. 145A: Effective

GENERAL TERMS AND CONDITIONS (Continued)

# 17. FLOWTHROUGH OF OFO PENALTIES

This Section 17 of the General Terms and Conditions sets for the procedures under which Southwest will flowthrough to firm shippers any penalties in excess of costs collected pursuant to Section 5.3 of the General Terms and Conditions. Southwest will reduce such penalties for reasonable incremental out-of-pocket costs incurred as a direct result of the Shipper's conduct which was penalized pursuant to Section 5.3.

# 17.1 Credit Period

The credit period applicable to this Section 17 shall be monthly.

# 17.2 Procedure for Crediting Penalties

Southwest will net all revenues received pursuant to Section 5.3 against reasonable incremental out-of-pocket costs incurred for such revenues. Southwest will credit the net amount to those Shippers under Rate Schedule FSS that were not billed pursuant to Section 5.3 during the applicable month ("Non-Offending Shippers"). Each Non-Offending Shipper's credit shall be based on ratio of actual revenue collected from Non-Offending Shipper for the month to the actual revenues billed to all Non-Offending Shippers. Each Non-Offending Shipper's credit shall be paid with a billing adjustment, including documentation, to the billing of charges for service during the following month.

FERC Docket: RP00-471-001

First Revised Sheet No. 146 First Revised Sheet No. 146: Effective

Superseding: Original Sheet No. 146

GENERAL TERMS AND CONDITIONS

(Continued)

### 18. MISCELLANEOUS

- 18.1 The respective obligations of Southwest and Shipper hereunder are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned, unless waived by the parties hereto, upon the issuance by the Commission or any successor agency of requisite authorization to provide the storage service hereunder in a form satisfactory to Southwest.
- 18.2 Service hereunder and Shipper's Storage Service Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas, except for the conflict of laws provisions thereof.
- 18.3 Shipper's Storage Service Agreement creates no rights in third parties.
- 18.4 Southwest may waive any rights hereunder or any obligations of Shipper on a basis which is not unduly discriminatory; provided that no waiver shall operate or be construed as a waiver of other or future rights or obligations, whether of a like or different character.

FERC Docket: RP09-730-000

Ninth Revised Sheet No. 147 Ninth Revised Sheet No. 147

Superseding: Eighth Revised Sheet No. 147

GENERAL TERMS AND CONDITIONS (Continued)

# 18. MISCELLANEOUS (Continued)

18.5 Southwest has adopted all of the Business Practices and Electronic Communication Standards which are incorporated in 18 CFR §284.12(a). Notwithstanding this Section 18.5, Southwest shall adhere to the NAESB standards as modified by Order No. 717. In addition to the standards which are reflected in other provisions of this Tariff, the following NAESB standards, definitions and data sets are incorporated herein by reference.

Version 1.8, September 30, 2006: 0.2.1 through 0.2.3, 0.3.1 through 0.3.15, 0.4.1, 1.2.1 through 1.2.3, 1.2.5, 1.2.8 through 1.2.19, 1.3.2 (vi), 1.3.3, 1.3.4, 1.3.6, 1.3.13 through 1.3.18, 1.3.20 through 1.3.29, 1.3.31 through 1.3.33, 1.3.35 through 1.3.77, 1.3.79, 1.4.1 through 1.4.7, 2.2.1 through 2.2.5, 2.3.1 through 2.3.13, 2.3.15 through 2.3.25, 2.3.27, 2.3.28 through 2.3.35, 2.3.51 through 2.3.65, 2.4.1 through 2.4.18, 3.3.1 through 3.3.8, 3.3.10 through 3.3.14, 3.3.16 through 3.3.26, 3.4.1 through 3.4.4, 4.2.1 through 4.2.20, 4.3.1 through 4.3.3, 4.3.5, 4.3.16 through 4.3.18, 4.3.20, 4.3.22 through 4.3.36, 4.3.38 through 4.3.62, 4.3.65 through 4.3.69, 4.3.72 through 4.3.76, 4.3.78 through 4.3.87, 4.3.89 through 4.3.93, 5.2.1 through 5.2.3, 5.3.7, 5.3.12, 5.3.17 through 5.3.25, 5.3.27 through 5.3.60, 5.4.1 through 5.4.23, 10.2.1 through 10.2.38, 10.3.1 and 10.3.3 through 10.3.25.

18.6 Southwest may, from time to time, enter into agreements with other interstate or intrastate pipeline companies for capacity (off-system capacity). In the event that Southwest acquires off-system capacity, Southwest will provide service to Shippers with the off-system capacity pursuant to Southwest's open access tariff and subject To Southwest's Commission-approved rates, as such tariff and rates may change from time to time. For purposes of transactions entered into subject to this Section 18.6, the "shipper must have title" requirement is waived.

Effective Date: 12/15/1999 Status: Effective FERC Docket: RP00- 58-000

Sheet Nos. 148-199 Sheet Nos. 148-199 : Effective

RESERVED FOR FUTURE USE.

Second Revised Sheet No. 200 Second Revised Sheet No. 200 : Effective Superseding: First Revised Sheet No. 200 RATE SCHEDULE FSS FIRM STORAGE SERVICE FORM OF STORAGE SERVICE AGREEMENT CONTRACT NO. This Agreement, is made and entered into as of the dav of \_\_\_\_\_, \_\_\_, by and between Southwest Gas Storage Company (hereinafter called "Southwest") and \_\_\_\_\_ (hereinafter called "Shipper"). In consideration of mutual covenants and agreements as herein set forth, both Southwest and Shipper covenant and agree upon the following terms and conditions: ARTICLE 1 - SERVICE Southwest agrees to inject and withdraw at the interconnection of Panhandle Eastern Pipe Line Company, LP's transmission facilities and Southwest's East Area Storage Facilities and West Area Storage Facilities, as defined in the General Terms and Conditions, and store on a firm basis, Quantities of Natural Gas as described in Section 2 of Rate Schedule FSS. Shipper elects the following: East Area Storage Facilities: Maximum Annual Quanitity (MAQ): Maximum Daily Injection Quantity (MIQ): \_\_\_ Dt Maximum Daily Withdrawal Quantity (MWQ): West Area Storage Facilities: Maximum Annual Quantity (MAQ): Dt

Maximum Daily Injection Quantity (MIQ):

Maximum Daily Withdrawal Quantity (MWQ):

Effective Date: 10/01/2007 Status: Effective

FERC Docket: RP07-684-000

\_\_\_\_\_ Dt

FERC Docket: RP00- 58-000

Original Sheet No. 201 Original Sheet No. 201: Effective

RATE SCHEDULE FSS
FIRM STORAGE SERVICE
FORM OF STORAGE SERVICE AGREEMENT
(Continued)

# ARTICLE 2 - TERM

This Agreement shall become effective from the date first stated above. This Agreement shall remain effective for a term of from the initial date for service and thereafter shall continue in effect until terminated by Southwest or Shipper upon at least six (6) months prior written notice to the other, as of any date not earlier than the date of expiration of the primary term.

# ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Southwest the then-effective applicable rates and charges under Southwest's Rate Schedule FSS filed with the Commission, as such rates and charges and Rate Schedule FSS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Southwest reserves the unilateral right from time to time to file and to make effective any such changes in the terms or rate levels under Rate Schedule FSS and the applicability thereof, the General Terms and Conditions or any other provisions of Southwest's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

# ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Southwest shall retain the percentage as stated on the effective Tariff Sheet No. 5 of the Quantities received from Shipper and injected hereunder and of the Quantities redelivered to Shipper and withdrawn hereunder for reimbursement in kind from Shipper for fuel usage.

FERC Docket: RP00- 58-000

Original Sheet No. 202 original Sheet No. 202: Effective

RATE SCHEDULE FSS
FIRM STORAGE SERVICE
FORM OF STORAGE SERVICE AGREEMENT
(Continued)

# ARTICLE 5 - GENERAL TERMS AND CONDITIONS

The Storage Service Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule FSS and the General Terms and Conditions of Southwest's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Southwest reserves the unilateral right from time to time to file and to make effective any such changes in the provisions of Rate Schedule FSS and the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule FSS and the General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

# ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Southwest or Shipper by merger, consolidation or acquisition. Either Southwest or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness.

# ARTICLE 7 - CANCELLATION OF PREVIOUS CONTRACTS

This Agreement supersedes and cancels the following Storage Service Agreement(s) between the parties hereto:

FERC Docket: RP00- 58-000

Original Sheet No. 203 Original Sheet No. 203: Effective

RATE SCHEDULE FSS
FIRM STORAGE SERVICE
FORM OF STORAGE SERVICE AGREEMENT
(Continued)

ARTICLE 8 - NOMINATIONS AND NOTICES

Periodic scheduling of the Quantities of service requested hereunder must be provided by Shipper to Southwest, at the times and according to the procedures specified in Section 3 of the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Southwest or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Southwest and Shipper are as follows:

Shipper:

Billing:

Nomination and Scheduling:

All Other:

FERC Docket: RP07-684-000

Second Revised Sheet No. 204 Second Revised Sheet No. 204: Effective

Superseding: First Revised Sheet No. 204

RATE SCHEDULE FSS FIRM STORAGE SERVICE FORM OF STORAGE SERVICE AGREEMENT (Continued)

Southwest:

Payments: Southwest Gas Storage Company

Attn: Cash Management

P. O. Box 4967

Houston, Texas 77210-4967

Nomination and Scheduling: Southwest Gas Storage Company

Attn: Marketing Operations P. O. Box 4967

Houston, Texas 77210-4967

Phone: (713) 962-9862 Fax: (713) 286-5402

Pipeline Emergencies:

(Not to be used for any

other purpose)

SOUTHWEST GAS STORAGE COMPANY

Attn: Gas Control

P. O. Box 4967

Houston, Texas 77210-4967

Phone: (713) 627-5623 Toll Free: 1-800-225-3913

All Other: Southwest Gas Storage Company

Attn: Customer Services

P. O. Box 4967

Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375

Fax: (713) 989-1178

FERC Docket: RP04-146-000

First Revised Sheet No. 205 First Revised Sheet No. 205 : Effective Superseding: Original Sheet No. 205

RATE SCHEDULE FSS FIRM STORAGE SERVICE FORM OF STORAGE SERVICE AGREEMENT (Continued)

IN WITNESS WHEREOF, both Southwest and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so.

| SHIPPER:                      |
|-------------------------------|
|                               |
| By:                           |
|                               |
|                               |
| (Please type or print name)   |
| Title:                        |
|                               |
| EXECUTED,(Date)               |
| (Date)                        |
|                               |
| SOUTHWEST GAS STORAGE COMPANY |
|                               |
| Ву:                           |
|                               |
|                               |
| (Please type or print name)   |
| Title:                        |
|                               |
| EXECUTED,(Date)               |
|                               |

FERC Docket: RP07-684-000

Second Revised Sheet No. 206 Second Revised Sheet No. 206 : Effective Superseding: First Revised Sheet No. 206

RATE SCHEDULE ISS INTERRUPTIBLE STORAGE SERVICE

| FORM OF STORAGE SERVICE AGREEMENT  |        |
|--|--------|
| CONTRACT NO.   |        |
| This Agreement, is made and entered into as of the day of,, by and between Southwest Gas St Company (hereinafter called "Southwest") and (hereinafter called "Shipper" In consideration of mutual covenants and agreements as herein set for both Southwest and Shipper covenant and agree upon the following term and conditions:   | orage  |
| ARTICLE 1 - SERVICE  |        |
| Southwest agrees to inject and withdraw at the interconnection Panhandle Eastern Pipe Line Company, LP's transmission facilities and Southwest's East Area Storage Facilities and West Area Storage Facilities, as defined in the General Terms and Conditions, and store on a fully interruptible basis, Quantities of Natural Gas as describe in Section 2 of Rate Schedule ISS. Shipper elects the following: | d<br>e |
| East Area Storage Facilities:  |        |
| Maximum Annual Quantity (MAQ):   | Dt     |
| Maximum Daily Injection Quantity (MIQ):  | Dt     |
| Maximum Daily Withdrawal Quantity (MWQ):   | Dt     |
| West Area Storage Facilities:  |        |
| Maximum Annual Quantity (MAQ):   | Dt     |
| Maximum Daily Injection Quantity (MIQ):  | Dt     |

 $\label{eq:maximum Daily Withdrawal Quantity (MWQ):} \begin{picture}(MWQ): & & & & \\ \end{picture}$ 

FERC Docket: RP00- 58-000

Original Sheet No. 207 Original Sheet No. 207: Effective

RATE SCHEDULE ISS
INTERRUPTIBLE STORAGE SERVICE
FORM OF STORAGE SERVICE AGREEMENT
(Continued)

# ARTICLE 2 - TERM

This Agreement shall become effective from the date first stated above. This Agreement shall remain effective for a term of from the initial date for service and thereafter shall continue in effect until terminated by Southwest or Shipper upon at least six (6) months prior written notice to the other, as of any date not earlier than the date of expiration of the primary term.

# ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder, Shipper agrees to pay Southwest the then-effective applicable rates and charges under Southwest's Rate Schedule ISS filed with the Commission, as such rates and charges and Rate Schedule ISS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Southwest reserves the unilateral right from time to time to file and to make effective any such changes in the terms or rate levels under Rate Schedule ISS and the applicability thereof, the General Terms and Conditions or any other provisions of Southwest's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

# ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in Article 3, Southwest shall retain the percentage as stated on the effective Tariff Sheet No. 5 of the Quantities received from Shipper and injected hereunder and of the Quantities redelivered to Shipper and withdrawn hereunder for reimbursement in kind from Shipper for fuel usage.

FERC Docket: RP00- 58-000

Original Sheet No. 208 Original Sheet No. 208: Effective

RATE SCHEDULE ISS
INTERRUPTIBLE STORAGE SERVICE
FORM OF STORAGE SERVICE AGREEMENT
(Continued)

# ARTICLE 5 - GENERAL TERMS AND CONDITIONS

The Storage Service Agreement and all terms for service hereunder are subject to the further provisions of Rate Schedule ISS and the General Terms and Conditions of Southwest's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Southwest reserves the unilateral right from time to time to file and to make effective any such changes in the provisions of Rate Schedule ISS and the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule ISS and the General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof. Southwest makes no representation, assurance or warranty that capacity will be available on Southwest's system at any time to provide storage services and Shipper agrees that Southwest shall bear no responsibility or liability to any person if capacity does not exist on any day to provide service hereunder.

# ARTICLE 6 - SUCCESSION AND ASSIGNMENTS

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Southwest or Shipper by merger, consolidation or acquisition. Either Southwest or Shipper may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness.

# ARTICLE 7 - CANCELLATION OF PREVIOUS CONTRACTS

This Agreement supersedes and cancels the following Storage Service Agreement(s) between the parties hereto:

FERC Docket: RP00- 58-000

Original Sheet No. 209 Original Sheet No. 209: Effective

RATE SCHEDULE ISS
INTERRUPTIBLE STORAGE SERVICE
FORM OF STORAGE SERVICE AGREEMENT
(Continued)

ARTICLE 8 - NOMINATIONS AND NOTICES

Periodic scheduling of the Quantities of service requested hereunder must be provided by Shipper to Southwest, at the times and according to the procedures specified in Section 3 of the General Terms and Conditions. Except as otherwise specified, any other notice, request, demand, statement or bill provided for in the General Terms and Conditions and any other notice which either Southwest or Shipper may desire to give to the other(s), shall be in writing and shall be considered as duly delivered when mailed by registered mail to the Post Office address of the other(s), or at such other address as may be designated by formal written notice. Routine communications and bills shall be considered as duly delivered when mailed by registered or ordinary mail or an equivalent. The Post Office addresses of both Southwest and Shipper are as follows:

Shipper:

Billing:

Nomination and Scheduling:

All Other:

FERC Docket: RP07-684-000

Second Revised Sheet No. 210 Second Revised Sheet No. 210: Effective

Superseding: First Revised Sheet No. 210

RATE SCHEDULE ISS INTERRUPTIBLE STORAGE SERVICE FORM OF STORAGE SERVICE AGREEMENT (Continued)

Southwest:

Payments: Southwest Gas Storage Company

Attn: Cash Management

P. O. Box 4967

Houston, Texas 77210-4967

Nomination and Scheduling: Southwest Gas Storage Company

Attn: Marketing Operations P. O. Box 4967

Houston, Texas 77210-4967

Phone: (713) 962-9862 Fax: (713) 286-5402

Pipeline Emergencies:

(Not to be used for any

other purpose)

SOUTHWEST GAS STORAGE COMPANY

Attn: Gas Control P. O. Box 4967

Houston, Texas 77210-4967

Phone: (713) 627-5623 Toll Free: 1-800-225-3913

All Other: Southwest Gas Storage Company

Attn: Customer Services

P. O. Box 4967

Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375

Fax: (713) 989-1178

FERC Docket: RP04-146-000

First Revised Sheet No. 211 First Revised Sheet No. 211: Effective Superseding: Original Sheet No. 211

RATE SCHEDULE ISS INTERRUPTIBLE STORAGE SERVICE FORM OF STORAGE SERVICE AGREEMENT (Continued)

IN WITNESS WHEREOF, both Southwest and Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so.

| SHIPPER:                      |
|-------------------------------|
|                               |
| By:                           |
|                               |
|                               |
| (Please type or print name)   |
| Title:                        |
|                               |
| EXECUTED,                     |
| (Date)                        |
|                               |
| SOUTHWEST GAS STORAGE COMPANY |
| SOUTHWEST GAS STORAGE COMPANT |
| D                             |
| Ву:                           |
|                               |
| (Please type or print name)   |
| Title:                        |
|                               |
| EXECUTED,                     |
| (Date)                        |

FERC Docket: RP09-514-000

Third Revised Sheet No. 212 Third Revised Sheet No. 212

Superseding: Second Revised Sheet No. 212

FORM OF AGREEMENT FOR MESSENGER®

| This agreement, executed this day of ,                                     |
|--|
| by and between ("Messenger®  |
| Subscriber"), and Panhandle Eastern Pipe Line Company, LP, Trunkline Gas   |
| Company, LLC, Sea Robin Pipeline Company, LLC, Trunkline LNG Company, LLC  |
| and Southwest Gas Storage Company ("Pipeline"), witnesseth that for and in |
| consideration of the mutual covenants and provisions herein contained and  |
| subject to all of the terms, provisions and conditions herein set forth,   |
| Massanger® Subscriber and Dinaline do hereby agree as follows:             |

# ARTICLE I

# SCOPE OF AGREEMENT

Pipeline shall make available for use by Messenger® Subscriber Pipeline's computerized electronic communication service, the Messenger® system. Messenger® Subscriber may at its option use the Messenger® system to: (1) execute a contract for new service under applicable Rate Schedules; (2) execute an amendment of an existing Service Agreement; and (3) nominate quantities for injection and withdrawal by Pipeline pursuant to an existing Service Agreement under any of Pipeline's Rate Schedules. Messenger® Subscriber may also use the Messenger® system to request and receive from Pipeline such other information as Pipeline may from time to time make available to Messenger® Subscriber through the Messenger® system.

# ARTICLE II

# TERMS AND CONDITIONS

Messenger® Subscriber's use of the Messenger® system shall be in accordance with and subject to Pipeline's currently effective FERC Gas Tariff, including any and all applicable provisions of the General Terms and Conditions (the "General Terms and Conditions") and the terms and conditions of any relevant Rate Schedules which appear in Pipeline's currently effective FERC Gas Tariff, all of which terms and conditions are expressly incorporated by reference herein.

FERC Docket: RP07-684-000

Second Revised Sheet No. 213 second Revised Sheet No. 213 : Effective

Superseding: First Revised Sheet No. 213

FORM OF AGREEMENT FOR MESSENGER (Continued)

Authorized Use of Messenger; Confidentiality

Use of the Messenger system by Messenger Subscriber shall be limited only to those persons who have been duly authorized by Messenger Subscriber to use the Messenger system (the "Authorized Personnel"), as indicated in the completed Computer Access Request Form to be submitted by Messenger Subscriber to Pipeline, a copy of which is attached to the Messenger Agreement. Pipeline will provide each of Messenger Subscriber's Authorized Personnel with an individualized user identification code ("USERID") and password. The number and type of USERIDs and passwords to be issued by Pipeline shall be subject to the sole discretion of Pipeline.

Messenger Subscriber shall also designate one or more Authorized Personnel who are additionally authorized: (1) to transmit information to Pipeline through the Messenger system, and/or (2) to perform the contracting function and thereby legally bind Messenger Subscriber to any Service Agreement or amended Service Agreement entered into with Pipeline (collectively, the "Designated Personnel"). Pipeline shall be entitled to rely upon Messenger Subscriber's representation that any and all Designated Personnel authorized to perform the Messenger system contracting function have been duly authorized by Messenger Subscriber to enter into one or more Service Agreements or amended Service Agreements for all purposes of this Messenger Agreement.

FERC Docket: RP07-684-000

Second Revised Sheet No. 214 Second Revised Sheet No. 214: Effective

Superseding: First Revised Sheet No. 214

FORM OF AGREEMENT FOR MESSENGER (Continued)

Messenger Subscriber shall not disclose to persons other than Authorized Personnel, and shall otherwise keep completely confidential, all USERIDs and passwords issued to Messenger Subscriber by Pipeline. In addition, each Authorized Personnel shall likewise not disclose to any other person, and shall otherwise keep completely confidential, the individualized USERID and password issued to such Authorized Personnel.

Messenger Subscriber shall immediately inform Pipeline in writing whenever Messenger Subscriber desires to terminate access to the Messenger system previously granted to any Authorized Personnel, or desires to terminate the status of any Designated Personnel. Messenger Subscriber shall be solely responsible for any and all unauthorized or otherwise improper use of USERIDs and passwords issued to Messenger Subscriber by Pipeline, including but not limited to the use of such USERIDs and passwords by Authorized Personnel who at some point are no longer within Messenger Subscriber's employment or control. Pipeline reserves the right, at any time and in Pipeline's sole discretion, to invalidate without prior notice any password or USERID issued to Messenger Subscriber.

Messenger Subscriber shall defend and indemnify Pipeline from and against any and all claims, demands, and actions, and any resulting loss, costs, damages, and expenses (including court costs and reasonable attorney's fees) of any nature whatsoever, which may be asserted against or imposed upon Pipeline by any party as a result of the unauthorized or otherwise improper use of any USERID or password issued by Pipeline to Messenger Subscriber.

FERC Docket: RP07-684-000

Second Revised Sheet No. 215 second Revised Sheet No. 215 : Effective

Superseding: First Revised Sheet No. 215

FORM OF AGREEMENT FOR MESSENGER (Continued)

Release and Disclaimer of Liability; Indemnification

Pipeline expressly disclaims any and all liability for damages to Messenger Subscriber, except for damages directly attributable to the negligence, bad faith, fraud or willful misconduct of Pipeline, or to any third parties associated with Messenger Subscriber's use of the Messenger system arising out of or in any manner related to use by Messenger Subscriber or Pipeline of the Messenger system, including but not limited to any damages resulting from any one or more of the following: (1) any acts of God or force majeure, including but not limited to sabotage, war, riot, lightning, vermin, fire, floods, electrical storms and/or power outages, or any other natural or public calamity; (2) any defects in computer software or hardware or defective programming; (3) any interruption in or malfunction of electronic communication or transmission; or (4) any improper or erroneous service which may occur as a result of use of the Messenger system. Pipeline's liability, if any, shall be limited to direct damages only incurred by the Messenger Subscriber and shall not extend to consequential, indirect or punitive damages incurred by the Messenger Subscriber or any damages of any nature whatsoever incurred by third parties.

PIPELINE HEREBY DISCLAIMS ANY AND ALL EXPRESS AND IMPLIED WARRANTIES OF ANY NATURE WHATSOEVER IN CONNECTION WITH MESSENGER SUBSCRIBER'S USE OF THE MESSENGER SYSTEM, INCLUDING BUT NOT LIMITED TO ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

Messenger Subscriber agrees to protect, defend, indemnify, and hold harmless Pipeline against any and all loss, costs, damages, and expenses of any nature whatsoever (including court costs and reasonable attorney's fees), resulting from or otherwise related to any claim, demand, or action asserted against Pipeline, arising from or in any manner directly or indirectly connected with Messenger Subscriber's use of the Messenger system, except for the negligence, bad faith, fraud or willful misconduct of Pipeline.

FERC Docket: RP07-684-000

Second Revised Sheet No. 216 Second Revised Sheet No. 216: Effective

Superseding: First Revised Sheet No. 216

FORM OF AGREEMENT FOR MESSENGER (Continued)

Other Terms and Conditions

Use of the Messenger system is expressly subject to all of the General Terms and Conditions, as well as all of the terms and conditions of any Rate Schedule and Service Agreement which may be applicable to any transaction performed by Messenger Subscriber and Pipeline by means of the Messenger system, all of which are set forth in Pipeline's currently effective FERC Gas Tariff as amended from time to time and are hereby incorporated by reference. In the event of a conflict between the terms and conditions of this agreement and any other applicable terms and conditions set forth in Pipeline's currently effective FERC Gas Tariff which are incorporated by reference herein, such other terms and conditions shall govern Messenger Subscriber's use of the Messenger system unless otherwise specifically provided herein.

# ARTICLE III

#### TERM

This agreement shall be and continue in full force and effect from the date of execution hereof until terminated only for due cause or at Messenger Subscriber's request. Messenger Subscriber agrees that Pipeline shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in any provision of the General Terms and Conditions applicable to this agreement. Pipeline agrees that Messenger Subscriber may protest or contest the aforementioned filings, and Messenger Subscriber does not waive any rights it may have with respect to such filings.

FERC Docket: RP07-684-000

Second Revised Sheet No. 217 Second Revised Sheet No. 217: Effective

Superseding: First Revised Sheet No. 217

FORM OF AGREEMENT FOR MESSENGER (Continued)

# ARTICLE IV

### ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Pipeline's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered, certified, or regular mail to the post office address of the parties hereto, as the case may be, as follows:

- (a) Marketing Department
  P. O. Box 4967
  Houston, Texas 77210-4967
- (b) Messenger Subscriber:

or such other address as either party shall designate by formal written notice.  $\hspace{1cm}$ 

# ARTICLE V

# INTERPRETATION

The interpretation and performance of this agreement shall be in accordance with the laws of the State of Texas without recourse to the law regarding the conflict of laws.

This agreement and the obligations of the parties are subject to all present and future valid laws with respect to the subject matter, either State or Federal, and to all valid present and future orders, rules, and regulations of duly constituted authorities having jurisdiction.

FERC Docket: RP07-684-000

Second Revised Sheet No. 218 Second Revised Sheet No. 218 : Effective Superseding: First Revised Sheet No. 218

FORM OF AGREEMENT FOR MESSENGER (Continued)

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be signed by their respective Presidents, Vice Presidents or other duly authorized agents the day and year first above written.

| TRUNKLINE GAS COMPANY, LLC SEA ROBIN PIPELINE COMPANY, LLC TRUNKLINE LNG COMPANY, LLC SOUTHWEST GAS STORAGE COMPANY |
|---|
| Ву  |
| (Please type or print name)   |
| Messenger Subscriber:   |
| Ву  |
| (Please type or print name)   |

PANHANDLE EASTERN PIPE LINE COMPANY, LP

FERC Docket: RP00- 58-000

Original Sheet No. 219 Original Sheet No. 219: Effective

CAPACITY RELEASE FORM OF SERVICE AGREEMENT

| CONTRACT | MO  |  |
|----------|-----|--|
| CONTRACT | NO. |  |

THIS AGREEMENT is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_, by and between:

SOUTHWEST GAS STORAGE COMPANY, (hereinafter called "Southwest"), a Delaware Corporation,

and

(hereinafter called "Replacement Shipper").

In consideration of the mutual covenants and agreements as herein set forth, both Southwest and Replacement Shipper covenant and agree as follows:

# ARTICLE 1 - SERVICE

For each occasion that Replacement Shipper obtains capacity from a Releasing Shipper through Southwest's capacity release program, an Addendum in the form of Exhibit A, attached hereto will be made a part hereof. The specific terms and conditions of each release shall be reflected in each Addendum, which shall be incorporated and made a part of this Agreement, and which together shall constitute the terms and conditions of Southwest's service for each release.

Southwest agrees to receive at the Points of Receipt and deliver at the Points of Delivery, on a firm basis, Quantities of Natural Gas up to the Maximum Annual Quantity obtained from the Releasing Shipper. The Maximum Annual Quantity is stated in delivered Quantities, for which received Quantities must be adjusted for fuel usage and lost or unaccounted for gas as set out in the then-effective, applicable rates and charges under Southwest's Rate Schedules applicable to the Releasing Shipper.

FERC Docket: RP00- 58-000

Original Sheet No. 220 Original Sheet No. 220: Effective

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

# ARTICLE 2 - TERM

This Agreement shall be effective from the date first stated above until , when this Agreement shall expire. Service shall commence and remain effective for a term coincidental for each capacity release term identified in each Addendum.

# ARTICLE 3 - RATES AND CHARGES

For the services provided or contracted for hereunder (including any Addendum hereunder), Shipper agrees to pay Southwest the then-effective, applicable rates and charges under Southwest's Rate Schedule FSS filed with the Commission, as such rates and charges and Rate Schedule FSS may hereafter be modified, supplemented, superseded, or replaced generally or as to the service hereunder. Southwest reserves the right from time to time to unilaterally file and to make effective any such changes in the terms or rate levels under Rate Schedule FSS and the applicability thereof, the General Terms and Conditions or any other provisions of Southwest's Tariff, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder.

FERC Docket: RP00- 58-000

Original Sheet No. 221 Original Sheet No. 221: Effective

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

ARTICLE 4 - FUEL REIMBURSEMENT

In addition to collection of the rates and charges provided for in each Addendum, Southwest shall retain, as Fuel Reimbursement, the percentage of the Quantities received from Shipper hereunder, as provided pursuant to the applicable Rate Schedule.

ARTICLE 5 - GENERAL TERMS AND CONDITIONS

This Agreement and all terms for service hereunder are subject to the further provisions of the applicable Rate Schedule and the General Terms and Conditions of Southwest's Tariff, as such may be modified, supplemented, superseded or replaced generally or as to the service hereunder. Southwest reserves the right from time to time to unilaterally file and to make effective any such changes in the provisions of the applicable Rate Schedules and the General Terms and Conditions, subject to the applicable provisions of the Natural Gas Act and the Commission's Regulations thereunder. Such Rate Schedule and General Terms and Conditions, as may be changed from time to time, are by this reference incorporated in their entirety into this Agreement and made an integral part hereof.

ARTICLE 6 - NOTICES

The Post Office addresses of both Southwest and Shipper are as follows:

Southwest

Payment: Southwest Gas Storage Company

Attn: Cash Management

P. O. Box 4967

Houston, Texas 77210-4967

FERC Docket: RP07-684-000

Second Revised Sheet No. 222 Second Revised Sheet No. 222 : Effective

Superseding: First Revised Sheet No. 222

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

Nomination and Scheduling: Southwest Gas Storage Company

Attn: Marketing Operations P. O. Box 4967

Houston, Texas 77210-4967

Phone: (713) 962-9862 Fax: (713) 286-5402

Pipeline Emergencies:

(Not to be used for any

other purpose)

Southwest Gas Storage Company

Attn: Gas Control P. O. Box 4967

Houston, Texas 77210-4967

Phone: (713) 627-5623 Toll Free: 1-800-225-3913

All Other: Southwest Gas Storage Company

Attn: Customer Services

P. O. Box 4967 Houston, Texas 77210-4967 Phone: (713) 627-4272 or 1-800-275-7375

Fax: (713) 989-1178

Effective Date: 12/15/1999 Status: Effective FERC Docket: RP00- 58-000

 $\textbf{Original Sheet No. 223} \; \texttt{Original Sheet No. 223 :} \quad \texttt{Effective}$ 

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

| Replacement Shipper:           |
|--------------------------------|
| Billing:                       |
| Nomination and Scheduling: (1) |
| All Other:                     |
|                                |
|                                |

(1) Please provide street address in addition to mailing address.

FERC Docket: RP04-146-000

First Revised Sheet No. 224 First Revised Sheet No. 224: Effective Superseding: Original Sheet No. 224

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

IN WITNESS WHEREOF, both Southwest and Replacement Shipper have caused this Agreement to be executed in several counterparts by their respective officers or other persons duly authorized to do so.

| REPLACEMENT SHIPPER:          |  |  |  |  |
|-------------------------------|--|--|--|--|
|                               |  |  |  |  |
| By:                           |  |  |  |  |
|                               |  |  |  |  |
| <del>(2)</del>                |  |  |  |  |
| (Please type or print name)   |  |  |  |  |
| Title:                        |  |  |  |  |
|                               |  |  |  |  |
| EXECUTED,                     |  |  |  |  |
|                               |  |  |  |  |
|                               |  |  |  |  |
|                               |  |  |  |  |
| SOUTHWEST GAS STORAGE COMPANY |  |  |  |  |
|                               |  |  |  |  |
| By:                           |  |  |  |  |
|                               |  |  |  |  |
| (Please type or print name)   |  |  |  |  |
|                               |  |  |  |  |
| Title:                        |  |  |  |  |
|                               |  |  |  |  |
|                               |  |  |  |  |

Effective Date: 12/15/1999 Status: Effective FERC Docket: RP00- 58-000

 $\textbf{Original Sheet No. 225} \; \texttt{Original Sheet No. 225} \; : \quad \texttt{Effective}$ 

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

EXHIBIT A

Capacity Release Agreement No. \_\_\_\_ Addendum No. \_\_ Capacity Release Service Agreement Between Southwest Gas Storage Company

| and  |                                    |  |  |
|--|------------------------------------|--|--|
| Releasing Shipper Contract No.                     | Releasing Shipper<br>Rate Schedule |  |  |
| Original Releasing Shipper Contract No.            | Regulation                         |  |  |
| Permanent or Temporary Release _                   |                                    |  |  |
| Conditions of Recall                               |                                    |  |  |
| Term of Release                                    |                                    |  |  |
| Begin  | End                                |  |  |
| Reservation Rate (including applicable surcharges) |                                    |  |  |
| Other Conditions                                   | ·                                  |  |  |

Effective Date: 12/15/1999 Status: Effective FERC Docket: RP00- 58-000

Original Sheet No. 226 Original Sheet No. 226 : Effective

CAPACITY RELEASE FORM OF SERVICE AGREEMENT (Continued)

EXHIBIT A

Capacity Release Agreement No. \_\_\_\_\_Addendum No. \_\_\_

| CAPACITY RIGHTS                          |    |
|--|----|
| East Area Storage Facilities:            |    |
| Maximum Annual Quantity (MAQ):           | Dt |
| Maximum Daily Injection Quantity (MIQ):  | Dt |
| Maximum Daily Withdrawal Quantity (MWQ): | Dt |
| West Area Storage Facilities:            |    |
| Maximum Annual Quantity (MAQ):           | Dt |
| Maximum Daily Injection Quantity (MIQ):  | Dt |
| Maximum Daily Withdrawal Quantity (MWQ): | Di |