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FERC Docket: CP93-568-002

PRELIMINARY STATEMENT

Nora Transmission Company is a natural gas pipeline company engaged in the transportation of natural gas. All of its facilities are located in Southwestern Virginia.

Effective Date: 04/01/1994 Status: Effective FERC Docket: CP93-568-002

Original Sheet No. 3 Original Sheet No. 3: Superseded

See hard copy for Nora Transmission Company system map.

FERC Docket: TM98-1-100-001

Substitute Fourth Revised Sheet No. 4 : Superseded

Superseding: Third Revised Sheet No. 4

CURRENTLY EFFECTIVE RATES
RATES FOR TRANSPORTATION SERVICES

The following rates (plus ACA surcharge) for transportation services under the indicated Rate Schedules shall apply and may be adjusted from time to time. Pipeline may, in its sole discretion, agree to discount transportation rates between the maximum rate and the minimum rate. Any amounts related to surcharges to recover costs identified in Sections 31 and 37 of the General Terms and Conditions are in addition to the rates contained in this section:

	Transportation Services	Base Tariff Rates (Per Dth)	FERC ACA (Per Dth)	Total Rate (Per Dth)
1.	Rate Schedule FTS* Firm Transportation			
	(a) Maximum Rate			
	Reservation Charge Commodity Charge Capacity Release	\$1.2548 \$0.0000	- \$0.0022	\$1.2548 \$0.0022
	Volumetric Charge	\$0.0413	\$0.0022	\$0.0435
	(b) Minimum Rate			
	Commodity Charge	\$0.0000	\$0.0022	\$0.0022
2.	Rate Schedule ITS* Interruptible Transportation			
	(a) Maximum Rate			
	Commodity Charge	\$0.0413	\$0.0022	\$0.0435
	(b) Minimum Rate			
	Commodity Charge	\$0.0000	\$0.0022	\$0.0022

^{*} In addition to the charges stated above, Customer shall provide gas to Pipeline for company use and unaccounted for purposes in accordance with Section 37 of the General Terms and Conditions.

Effective Date: 02/01/1996 Status: Effective FERC Docket: RP96- 99-000

Sheet Nos. 5-25 Sheet Nos. 5-25 : Superseded

Sheet Nos. 5 through 25 have been "reserved for future use".

FERC Docket: CP93-568-002

Original Sheet No. 26 Original Sheet No. 26: Superseded

RATE SCHEDULE FTS Firm Transportation Service

AVATLABITITTY

- (a) This open access rate schedule is available for the transportation by Nora Transmission Company (hereinafter called "Pipeline") of natural gas on a firm basis on behalf of any Shipper (hereinafter called "Customer") where Customer has an executed service agreement in the form provided in this Tariff with Pipeline providing for such service. Service under this Rate Schedule shall be provided subject to the provisions of Subparts B or G of Part 284 of the Commission's regulations.
- (b) The following reasonable limitations shall apply to the availability of service under this rate schedule:
 - (1) Pipeline shall not be required to agree to provide any requested transportation service for which capacity is not available or that would require the construction or acquisition of any new facilities; and
 - (2) Pipeline shall agree to provide requested transportation service hereunder on a "first-come, first-served" basis, as among requests for firm service.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation service hereunder shall consist of the acceptance by Pipeline of natural gas tendered by or on behalf of Customer for transportation at the Receipt Point(s) specified in the executed Service Agreement, the firm transportation of that natural gas through Pipeline's system, and the delivery of that gas, after retainage at the level provided for in Section 37 of this Tariff, by Pipeline to Customer for Customer's account, or to the system of a third-party, at the Delivery Point(s) in the executed Service Agreement.

FERC Docket: RP96- 99-000

First Revised Sheet No. 27 First Revised Sheet No. 27: Superseded

Superseding: Original Sheet No. 27

RATE SCHEDULE FTS (Continued) Firm Transportation Service

RATE

Customer shall pay Pipeline for service rendered hereunder during each monthly billing period an amount which is the sum of the following, plus applicable ACA funding charge as set out in Section 29 of the General Terms and Conditions of this Tariff.

- 3.1 Reservation Charges: An amount equal to Customer's Maximum Daily Contract Transportation Quantity ("MDCTQ") specified in the executed Transportation Service Agreement multiplied by the Daily Reservation Charges specified in the Currently Effective Rates, Sheet No. 4, of this Tariff.
- 3.2 Commodity Charges: An amount equal to the volume of gas transported by Pipeline for Customer during the billing period multiplied by the Total Commodity Charges specified in the Currently Effective Rates, Sheet No. 4, of this Tariff.
- 4. REIMBURSEMENT OF REGULATORY EXPENSES

Customer shall reimburse Pipeline for all regulatory filing fees incurred by Pipeline to provide service under Customer's executed service agreement, as it may be amended, revised or superseded from time to time.

5. MINIMUM BILL

The reservation charge.

- 6. RECEIPTS AND DELIVERIES
 - (a) Customer will make deliveries of gas to Pipeline for transportation hereunder at mutually agreeable points of receipt on Pipeline's system, as described in the executed service agreement. Prior to the initial receipt of such gas, Customer shall reimburse Pipeline the cost of any facilities that Pipeline may have agreed to install to receive, meter, transport or deliver Buyer's gas.
 - (b) All gas tendered by Customer for transportation hereunder shall conform to the quality provisions of the General Terms and Conditions of Pipeline's FERC Gas Tariff, First Revised Volume

FERC Docket: CP93-568-002

Original Sheet No. 28 Original Sheet No. 28: Superseded

RATE SCHEDULE FTS (Continued) Firm Transportation Service

7. FERC ANNUAL FUNDING CHARGE ADJUSTMENT

The rates in this rate schedule for all services rendered to Customer shall include an increment for ACA funding charge as set out in Section 29 of the General Terms and Conditions.

8. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Pipeline's FERC Gas Tariff, First Revised Volume No. 1, as such may be superseded or revised from time to time, are applicable to this rate schedule and made a part hereof.

Effective Date: 04/01/1994 Status: Effective FERC Docket: CP93-568-002

Original Sheet No. 29 Original Sheet No. 29: Superseded

(Reserved for future use.)

Effective Date: 04/01/1994 Status: Effective FERC Docket: CP93-568-002

Original Sheet No. 30 Original Sheet No. 30: Superseded

(Reserved for future use.)

FERC Docket: RP96- 99-000

First Revised Sheet No. 31 First Revised Sheet No. 31: Superseded

Superseding: Original Sheet No. 31

RATE SCHEDULE ITS

Interruptible Transportion Service

1. AVAILABILITY

- (a) This open access rate schedule is available for the transportation by Nora Transmission Company (hereinafter called "Pipeline") of natural gas on an interruptible basis on behalf of any Shipper (hereinafter called "Customer") where Customer has an executed service agreement in the form provided in this Tariff with Pipeline providing for such service. Service under this Rate Schedule shall be provided subject to the provisions of Subparts B or G of Part 284 of the Commission's regulations.
- (b) The following reasonable limitations shall apply to the availability of service under this rate schedule:
 - (1) Pipeline shall not be required to agree to provide any requested transportation service for which capacity is not available or that would require the construction or acquisition of any new facilities; and
 - (2) Pipeline shall agree to provide requested transportation service hereunder on a "first-come, first-served" basis, as among requests for interruptible service.

2. APPLICABILITY AND CHARACTER OF SERVICE

Transportation service hereunder shall consist of the acceptance by Pipeline of natural gas tendered by or on behalf of Customer for transportation at the Receipt Point(s) specified in the executed Service Agreement, the transportation of that natural gas through Pipeline's system, and the delivery of that gas, after retainage at the level provided for in Section 37 of this Tariff, by Pipeline to Customer for Customer's account, or to the system of a third-party, at the Delivery Point(s) in the executed Service Agreement.

3. RATE

Customer shall pay Pipeline for service rendered hereunder during each monthly billing period an amount equal to the volume of gas transported by Pipeline for Customer during the billing period multiplied by the Total Commodity Charge specified in the Currently Effective Rates, Sheet No. 4, of this Tariff, plus applicable ACA funding charge as set out in Section 29 of the General Terms and Conditions.

FERC Docket: CP93-568-002

Original Sheet No. 32 Original Sheet No. 32: Superseded

RATE SCHEDULE ITS (Continued)
Interruptible Transportation Service

4. REIMBURSEMENT OF REGULATORY EXPENSES

Customer shall reimburse Pipeline for all regulatory filing fees incurred by Pipeline to provide service under Customer's executed service agreement, as it may be amended, revised or superseded from time to time.

5. MINIMUM BILL

None

- 6. RECEIPTS AND DELIVERIES
 - (a) Customer will make deliveries of gas to Pipeline for transportation hereunder at mutually agreeable points of receipt on Pipeline's system, as described in the executed service agreement. Prior to the initial receipt of such gas, Customer shall reimburse Pipeline the cost of any facilities that Pipeline may have agreed to install to receive, meter, transport or deliver Customer's gas.
 - (b) All gas tendered by Customer for transportation hereunder shall conform to the quality provisions of the General Terms and Conditions of Pipeline's FERC Gas Tariff.
- 7. GRI CHARGE AND FERC ANNUAL FUNDING CHARGE ADJUSTMENT

The rates in this rate schedule for all services rendered to Customer shall include an increment for the ACA funding charge as set out in Section 29 of the General Terms and Conditions.

8. GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of Pipeline's FERC Gas Tariff, First Revised Volume No. 1, as such may be superseded or revised from time to time, are applicable to this rate schedule and made a part hereof.

Effective Date: 04/01/1994 Status: Effective FERC Docket: CP93-568-002

Original Sheet No. 33-99 Original Sheet No. 33-99 : Superseded

Sheet Nos. 33 through 99 have been "reserved for future use".

FERC Docket: RP97-105-001

Second Revised Sheet No. 100 Second Revised Sheet No. 100: Superseded Superseding: First Revised Sheet No. 100

GENERAL TERMS AND CONDITIONS

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FERC Docket: RP97-105-001

First Revised Sheet No. 101 First Revised Sheet No. 101: Superseded

Superseding: Original Sheet No. 101

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

Except where the context otherwise indicates another or different meaning or intent, the following terms, when used herein or in any agreement incorporating these General Terms and Conditions, are intended and used and shall be construed to have meanings as follows:

- (a) The term "Bidder" shall mean a party submitting a bid to Pipeline's electronic communication system for released capacity.
- (b) The term "British Thermal Unit" (Btu) shall mean the amount of heat required to raise the temperature of one (1) pound of water one degree (1 degree) Fahrenheit at sixty degrees (60 degrees) Fahrenheit. For reporting purposes, BTU conversion factors shall be reported to not less than 3 decimal places and Pressure Base conversion factors shall be reported to not less than 6 decimal places. For calculation purposes, not less than 6 decimal places shall be used for both conversion factors.
- (c) The term "business day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S., and similar holidays for transactions in occurring in Canada and Mexico.
- (d) The term "central clock time" (CCT) shall mean central daylight time when daylight savings time is in effect and central standard time when daylight savings time is not in effect.
- (e) The term "contract year" as used in Rate Schedule FTS shall mean a consecutive twelve (12) month period beginning each December 1 and ending each November 30.
- (f) The term "day" or "gas Day" shall mean a period of twenty-four (24) consecutive hours beginning and ending at 9:00 a.m. CCT.
- (g) The term "Dekatherm" (dth) shall mean the quantity of heat energy which is equivalent to 1,000,000 British Thermal Units. One (1) "dekatherm" of gas shall mean the quantity of gas which contains one (1) dekatherm of heat energy.
- (h) The term "EDI" shall mean electronic data interchange as defined by the then-effective standards established by the Gas Industry Standards Board and approved by the Federal Energy Regulatory Commission.
- (i) The term "FERC" or "Commission" shall mean the Federal Energy Regulatory Commission or any successor governmental agency.

FERC Docket: RP97-105-001

First Revised Sheet No. 102 First Revised Sheet No. 102: Superseded Superseding: Original Sheet No. 102

GENERAL TERMS AND CONDITIONS (Continued)

(j) The term "Maximum Annual Contract Quantity" as used in Rate Schedules ITS and FTS shall mean the annual quantity of natural gas which Pipeline is obligated to receive and/or deliver under such rate schedule during any year for the account of any Customer.

- (k) The term "Maximum Daily Contract Quantity" as used in Rate Schedules ITS and FTS shall mean the Maximum Quantity of natural gas which Pipeline shall be obligated to receive and/or deliver under such rate schedule on any day for the account of any Customer.
- (1) The term "Mcf" shall mean one thousand (1,000) cubic feet of gas.
- (m) The term "month", shall mean the period beginning at 9:00 a.m. CCT, on the first day of a calendar month and ending at 9:00 a.m. CCT on the first day of the next succeeding calendar month.
- (n) The term "natural gas" shall mean either natural gas unmixed, or any mixture of natural and artificial gas.
- (o) The term "Nomination Period" shall mean a period of time Customer includes in a nomination for gas service.
- (p) The term "Prearranged Replacement Customer" shall mean a party with a prearranged bid for capacity that a Releasing Customer provides to Pipeline for posting on the electronic communication system.
- (q) The term "quantity of gas" shall mean the number of units of gas expressed in dekatherms unless otherwise specified.
- (r) The term "Releasing Customer" shall mean a firm Customer or Replacement Customer holding firm capacity under a service agreement that desires to release all or a portion of its firm capacity rights under Section 25 of the General Terms and Conditions.
- (s) The term "Replacement Customer" shall mean a Customer which has contracted to utilize a Releasing Customer's capacity for a specified period.
- (t) The term "total heating value" shall mean the number of British Thermal Units evolved by the complete combustion with air, at constant pressure, of one anhydrous (dry) cubic foot of gas under a pressure of 14.73 psia and a temperature of 60 degrees Fahrenheit and when the products of combustion are cooled to the

FERC Docket: RP97-105-001

Original Sheet No. 102A Original Sheet No. 102A: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

initial temperature of the gas and air and the water formed by combustion is condensed to the liquid state.

(u) The term "Transportation" shall mean the transportation of natural gas by Pipeline.

2. TERM OF EXECUTED SERVICE AGREEMENT

The period of time to be covered by any executed Service Agreement between the parties shall be as mutually agreed at the time of its execution and shall, unless otherwise provided, continue until terminated either by Pipeline or by Customer upon twelve (12) months' prior written notice to the other specifying a termination date at the end of such agreed period or any yearly period thereafter. The firm service agreement currently in effect for Pipeline is as follows:

Effective Date: 04/01/1994 Status: Effective FERC Docket: CP93-568-002

Original Sheet No. 103 Original Sheet No. 103: Superseded

All MCF and dth Stated at 14.73 psia

Contract	Date of	Dekatherms	Maximum	Contract	Maximum
	Service	(dth)	Daily	Quantity	Annual
Quantity	Agreement	per MCF	MCF	Dth	MCF
Dth					
Equitable Resources Energy Co. 12,775,000		1.000	35,000	35,000	12,775,000

FERC Docket: CP93-568-002

Original Sheet No. 104 Original Sheet No. 104: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

3. QUALITY

3.1 Natural or Artificial Gas The gas delivered hereunder shall be a combustible gas consisting wholly of, or a mixture of:

- (a) Natural gas of the quality and composition produced in its natural state except that the Pipeline may extract or permit the extraction of any of the constituents thereof. Pipeline may remove butane, propane or any other hydrocarbons except methane, prior to the delivery of gas to or for Customer. If Pipeline does remove any such hydrocarbons, then in no event shall the natural gas delivered to or for Customer have a Total Heating Value of less than 960 British Thermal Units per cubic foot.
- (b) Gas generated by vaporization of Liquefied Natural Gas (LNG) or Liquefied Petroleum Gas (LPG).
- (c) Manufactured, reformed, or mixed gas consisting essentially of hydrocarbons of the quality and character of natural gas produced by nature.

3.2 Heating Value

- (a) No gas received for gathering or transportation hereunder shall have a total heating value at the point of receipt of less than 960 British Thermal Units (Btu) per cubic foot.
- (b) The total heating value shall be determined by a recording calorimeter or by other methods which Pipeline may employ from time to time. Pipeline shall have the right to collect from all Customers delivering gas to Pipeline at a common receipt point their volumetric pro rata share of the cost of any additional gas analysis and quality control equipment which Pipeline, at its reasonable discretion, determines is required to be installed at such receipt point to monitor the quality of gas delivered.
- 3.3 Freedom From Objectionable Materials
 The gas received or delivered hereunder shall be commercially free from any solid or liquid matter which might interfere with its merchantability or cause injury to or interference with the proper operation of pipelines, regulators, meters, or other appliances.

 Except as provided below, all natural gas delivered to Pipeline at receipt points or delivered by Pipeline at delivery points shall conform to the following specifications:

FERC Docket: CP93-568-002

Original Sheet No. 105 Original Sheet No. 105: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

- (i) Oxygen The oxygen content shall not exceed one percent (1.0%) by volume and every reasonable effort shall be made to keep the gas delivered free of oxygen.
- ii) Liquids The gas shall be free of water and hydrocarbons in liquid form at the temperature and pressure at which the gas is delivered. The gas shall in no event contain water vapor in excess of seven (7) pounds per million cubic feet.
- (iii) Hydrogen Sulphide The gas shall not contain more than three-tenths (0.3) grain of hydrogen sulphide per one hundred (100) cubic feet.
- (iv) Total Sulphur The gas shall not contain more than thirty (30) grains of total sulphur per one hundred (100) cubic feet.
- (v) Carbon Dioxide The gas shall not have a carbon dioxide content in excess of three percent (3.0%) by volume.
- (vi) Dust, Gums and Solid Matter The gas shall be commercially free of dust, gums and other solid matter. Pipeline may accept natural gas which differs from the quality specifications set forth above until such time as Pipeline, in its reasonable discretion and judgment, determines that natural gas received for gathering or transportation must conform to the quality specifications set forth above to maintain desired standards in and/or prudent operation of Pipeline's system. Upon such a determination, Pipeline will notify Customer that all prospective deliveries must comply with the quality specifications set forth above or the provisions of paragraph 3.4 below shall be applicable to all natural gas tendered for transportation which does not so comply.
- 3.4 If, at any time, gas tendered by Customer for transportation shall fail to substantially conform to any of the applicable quality specifications and Pipeline notifies the delivering party of such deficiency and the delivering party fails to remedy any such deficiency within a reasonable period of time, Pipeline may, at its option, refuse to accept delivery pending correction of the deficiency by the delivering party. In the alternative Pipeline may continue to accept delivery and make such changes necessary to cause the gas to conform to such specifications, in which event the delivering party shall reimburse Pipeline for all reasonable expenses incurred by Pipeline in effecting such changes. Failure by either Pipeline or Customer to tender deliveries that conform to any of the applicable quality specifications shall not be construed to eliminate, or limit in any manner, the rights and obligations existing under any other provisions of the executed Service Agreement and shall not limit Pipeline's right to refuse to accept deliveries from any Customer that fails to conform to applicable quality specifications at any time.

FERC Docket: CP93-568-002

Original Sheet No. 106 Original Sheet No. 106: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

MEASUREMENT

Determination of Quantity. The quantity of gas delivered hereunder shall be measured according to Boyle's and Charles' Laws for the measurement of gas under varying pressures and temperatures with deviations therefrom as provided in paragraph (g) below and shall be determined as follows:

- (a) The unit of volume for the purpose of measurement shall be 1,000 cubic feet (Mcf) of gas at a temperature of 60 degrees Fahrenheit and an absolute pressure of 14.73 pounds per square inch irrespective of the actual elevation above sea level of the point of measurement or of variations in barometric pressure.
- (b) The unit measurement for the purpose of sales and billing shall be one (1) dekatherm (dth), consisting of one million (1,000,000) British Thermal Units. The number of dekatherms delivered shall be determined by multiplying the number of Mcf of gas delivered, measured on the basis hereinafter specified, by the total heating value of such gas, in British Thermal Units per cubic foot, as defined in Section 1 above, and by dividing the product by one thousand (1,000).
- (c) The flowing temperature of the gas shall be determined by the continuous use of a recording thermometer at the delivery point or as agreed by both parties, and the average temperature of the gas at the delivery point, as computed by such method, shall be used in computing the deliveries of gas. If the flowing temperature of gas is not measured, the flowing temperature shall be assumed to be 60 degrees Fahrenheit.
- (d) The specific gravity of the gas delivered hereunder shall be determined by the continuous use of a recording gravitometer or as agreed by both parties and the average specific gravity at the delivery point, as computed by such method, shall be used in computing the deliveries of gas. If the Specific Gravity of the gas is not determined, the Specific Gravity shall be assumed to be .675.
- (e) The volumes of gas delivered hereunder shall be measured by meters of standard make and the measurement by orifice meter shall be computed in accordance with the methods prescribed in the Gas Measurement Committee Report No. 3, Natural Gas Department, American Gas Association, including the appendix thereto, as now and from time to time amended or supplemented.

FERC Docket: RP97-105-001

First Revised Sheet No. 107 First Revised Sheet No. 107: Superseded

Superseding: Original Sheet No. 107

GENERAL TERMS AND CONDITIONS (Continued)

(f) The Total Heating Value shall be calculated pursuant to standards set forth in American Gas Association Report No. 5, or by other methods mutually agreed upon by Customer and Pipeline.

- (g) The deviation of the gas from Boyle's and Charles' Law shall be determined in accordance with the Gas Measurement Committee Report No. 3 of the American Gas Association as now and from time to time amended, including the AGA manual for the determination of Supercompressibility Factors for Natural Gas.
- 4.1 Measurement Corrections. The cutoff for the closing of measurement is five (5) business days after the business month. If an error is discovered in the measured quantities, such error shall be adjusted within thirty (30) days of the determination thereof; provided, however, that any claim for adjustment shall be made within six (6) months of the production month in which the claimed error occurred. The time for dispute or resolution of the claim shall be three (3) months from the date the claim is made. Such time limits shall not apply in the case of deliberate omission or misrepresentation, or mutual mistake of fact, nor shall this provision diminish other statutory or contractual rights of the parties.

5. MEASURING EQUIPMENT

5.1 Measuring Equipment

All measuring facilities shall be installed, owned, maintained and operated as determined solely by the Pipeline and shall consist at the time of installation of the necessary metering devices, designed and installed in accordance with the current published recommendations of the American Gas Association.

5.2 Check Measuring Equipment

Customer may install, operate, and maintain, at its own expense, such check equipment as it shall desire, provided that such equipment shall be so installed as not to interfere with the operation of Pipeline's equipment. Pipeline shall have access to such check equipment at all reasonable hours.

5.3 Access to Equipment and Records

Each party shall have the right to be present at the time of any installing, reading, cleaning, changing, repairing, inspecting, testing, calibrating, or adjusting done in connection with the measuring equipment used in measuring deliveries hereunder. The records from such measuring equipment shall remain the property

FERC Docket: RP97-105-001

First Revised Sheet No. 108 First Revised Sheet No. 108: Superseded

Superseding: Original Sheet No. 108

GENERAL TERMS AND CONDITIONS (Continued)

of their owner, but upon request each will submit to the other its records and charts, together with calculations therefrom, for inspection and verification, subject to return within thirty (30) days after receipt thereof. Except as expressly provided for herein, Customer shall have no rights of access to Pipeline's equipment.

5.4 Pressure Protection

Pressure regulation, pressure override, and pressure relief valves, or other pressure limiting devices installed and operated by the Pipeline at the measuring station, or point of delivery, shall only be for the purpose of operation and protection of the Pipeline's measuring equipment.

5.5 Testing of Meters

The accuracy of the Pipeline's measuring equipment shall be verified by Pipeline at reasonable intervals, and, if requested, in the presence of representatives of the Customer, or as agreed between both parties.

- (a) The Pipeline shall not be required to verify the accuracy of orifice meter equipment more frequently than once in any thirty (30) day period.
- (b) The Pipeline shall not be required to verify the accuracy of meter equipment, other than orifice meter equipment, more frequently than once in any ninety (90) day period.

5.6 Measuring Equipment Inaccuracy and Failure

The quantity of gas delivered hereunder during periods when the measuring equipment is out of service or registering inaccurately shall be estimated as follows:

(a) If, upon test, any billing meter or related instrument or device of which are used in the registration, integration, or computation of quantities which affect the billing hereunder is found to be in error to the extent that it introduces not more than a two percent (2%) measurement error in the individual billing meter or meters affected, previous records of such equipment shall be considered accurate in computing deliveries hereunder; but such equipment shall be adjusted at once to function correctly. If, upon test, any such measuring equipment shall be found to be inaccurate to the extent that it causes the end result measurement of the individual billing meter or meters

FERC Docket: RP97-105-001

First Revised Sheet No. 109 First Revised Sheet No. 109: Superseded

Superseding: Original Sheet No. 109

GENERAL TERMS AND CONDITIONS (Continued)

so affected to be in error by an amount exceeding two percent (2%), at a recording corresponding to the average hourly rate of flow through the individual billing meter or meters affected, for the period since the last preceding test, then any previous registration, integration, or recordings of such billing meter or meters affected shall be corrected to zero error for any part of the period since the last test which such error is known to have existed or which may be agreed upon in actual practice by the operating representatives of the parties. In case the period of such error is not known definitely or is not agreed upon, such correction shall be for a period of one-half (%) of the time elapsed since the date of the last such test, but not exceeding a correction period of six (6) months.

- (b) If no tests have been performed to determine the degree of inaccuracy, or if measuring equipment is out of service, the quantity of gas shall be estimated:
 - (1) By using the registration of any existing and agreed upon check equipment considered by the parties concerned to be registering accurately; or, in the absence of such facilities
 - (2) By correcting the error if the quantity or percentage of error is ascertainable by calibration, test, or mathematical calculation; or, if neither of the two (2) foregoing procedures are applicable
 - (3) By relating the quantity of delivery to deliveries during periods under similar conditions when the measuring equipment was deemed to have been registering accurately.
- 5.7 Preservation of Records

Each party shall preserve for a period of at least two (2) years all test data, charts, and other similar records.

6. INVOICING

6.1 Pipeline shall render invoices to Customer on or before the ninth (9th) business day of each month for all gas delivered and any reservation charges incurred during the preceding month using the best available data. Invoices may be rendered by mail, fax, electronic communication, or EDI.

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GENERAL TERMS AND CONDITIONS (Continued)

6.2 Access to Invoice Data

Both Pipeline and Customer shall have the right to examine, at reasonable times, the books, records, computer records, and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.

7. PAYMENTS

7.1 Payment

Customer shall pay Pipeline, on or before the twentieth (20th) day of each month, for the natural gas delivered to Customer or for Customer's account, plus any reservation or other charges incurred, during the preceding billing month. All payments shall be identified by the invoice number and if payment differs from invoiced amount, remittance detail should be provided with the payment.

7.2 Disputed Invoices

Should Customer fail to pay part or all of the amount of any invoice for gas delivered to Customer or for Customer's account, plus any reservation or other charges incurred, when such amount is due, Pipeline may charge interest on the unpaid portion of the invoice at the then applicable pipeline refund interest rate as published by the FERC from the due date until the date of payment. Customer shall pay the portion of the invoice not in dispute and shall provide written documentation identifying the basis for the dispute. If such failure to pay continues for thirty (30) days after payment is due, Pipeline, in addition to any other remedy it may have hereunder, may after any necessary authorization by regulatory bodies having jurisdiction, suspend further delivery of gas to Customer until such amount is paid. If Customer in good faith shall dispute the amount of any such invoice or parts thereof and shall pay to Pipeline such amounts as it concedes to be

FERC Docket: RP97-105-001

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correct, and at any time thereafter within thirty (30) days of a demand made by Pipeline shall furnish a good and sufficient surety bond guaranteeing payment to Pipeline of the amount ultimately found due upon such invoices after a final determination, which may be reached then Pipeline shall not be entitled to suspend further delivery of gas unless and until default be made in the conditions of such bond. No payment by Customer of the amount of a disputed invoice shall prejudice the right of Customer to claim an adjustment of the disputed invoice.

7.3 Extension of Time

If presentation of invoices by Pipeline is delayed after the ninth (9th) business day of the month, then the time of payment shall be extended accordingly unless Customer is responsible for such delay.

7.4 Billing Errors

In the event an error is discovered in the amount invoiced in any statement rendered by Pipeline, such error shall be adjusted within thirty (30) days of the determination thereof; provided, however, that any claim for adjustment must be made within six (6) months from the date of such statement, with a three-month rebuttal period. Such time limits shall not apply in the case of government-required rate changes, deliberate omission or misrepresentation, or mutual mistake of fact, nor shall this provision diminish other statutory or contractual rights of the parties.

8. CONTROL AND POSSESSION OF GAS

Pipeline shall have no responsibility prior to its acceptance of natural gas pursuant to a Service Agreement at the Receipt Point(s) and after delivery at the Delivery Point(s), and Customer shall have sole responsibility for all arrangements necessary for delivery of natural gas to Pipeline at the Receipt Point(s) for gathering and/or transportation, and for all arrangements necessary for receipt of natural gas for the account of Customer at the Delivery Point(s), which arrangements otherwise meet the provisions set forth in these General Terms and Conditions.

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GENERAL TERMS AND CONDITIONS (Continued)

9. WARRANTY OF TITLE TO GAS AND INDEMNIFICATION

Customer warrants that it will, at the time of delivery to Pipeline, have good and merchantable title to all gas so delivered free and clear of all liens, encumbrances, and claims whatsoever and agrees to indemnify Pipeline and save it harmless from all suits, actions, debts, accounts, damages, costs, losses, and expenses arising out of adverse claims of any or all persons to said gas and/or to royalties, taxes, license fees, or charges thereon which are applicable to such gas and/or the delivery of such gas to Pipeline.

10. EQUALITY OF SERVICES

Pipeline hereby states that the terms and conditions of service for all unbundled transportation services provided under its FERC Gas Tariff are provided on a basis that is equal in quality for all shippers. Furthermore, no preference is afforded to any affiliate of Pipeline with respect to any service which Pipeline provides.

- 11. PROCEDURES FOR REQUESTING AND CONTRACTING FOR SERVICE
 - 11.1 Requests for Service

To qualify for service under any of Pipeline's firm or interruptible rate schedules, a potential customer must submit a request for service in writing to Nora Transmission Company, c/o Transportation Department. Such request shall be considered valid only if it contains all the information specified in Section 11.2 In addition, requests for firm service must be accompanied by a refundable earnest money deposit of \$10,000. If the service request is accepted by Pipeline, the earnest money deposit will be applied against the first amounts due from the shipper to Pipeline until fully used. If the request is not accepted by Pipeline or if service is not otherwise offered, the earnest money deposit will be refunded with interest.

11.2 Form of Service Request

To be considered as a valid request, a request for service must contain the following information:

- a. Requestor's Identification name, address, telephone number and representative of party requesting service
- b. Customer's Identification
 - (i) Name, address, telephone number and Dun & Bradstreet Number of Customer;

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(ii) Whether shipper is an interstate pipeline, intrastate pipeline, local distribution company, producer, marketer, or end user;

- (iii) Whether shipper is acting for itself or on behalf of someone else.
- c. Type of Service Requested
- d. Gas Quantities Requested The maximum daily quantity requested over the life of the delivery period allocated to each primary receipt and delivery point requested.
- e. Point(s) of Receipt
 - (i) The primary point(s) of entry into Pipeline's system;
 - (ii) Name and contact person for party delivering the gas.
- f. Point(s) of Delivery
 - (i) The primary point(s) of delivery by Pipeline;
 - (ii) Name and contact person for party receiving gas;
- g. Section 311 Information If service is to be provided under Section 311 of the Natural Gas Policy Act, the service request must identify the intrastate pipeline or local distribution company on whose behalf the gas will be transported, and certify that on behalf of party will either: (1) hold title to the gas at some point in time for a purpose related to its function as an intrastate pipeline or local distribution company; or (2) have physical custody of, and transport the gas at some point in the transaction.
- h. Term of Service the date service is requested to commence and the date of termination.
- i. Certification Shipper has or will obtain title to the gas volumes requested in (d) above, and has entered into or will enter into all arrangements necessary to ensure all downstream transportation will be in place prior to the initiation of service.

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GENERAL TERMS AND CONDITIONS (Continued)

11.3 Credit Evaluation

Pipeline's acceptance of a request for service is contingent upon the requesting party's satisfying a credit evaluation by Pipeline. To facilitate the credit evaluation, the requesting party will provide the following information as requested by Pipeline:

- a. Bank references.
- b. Year end audited financial statements together with the latest quarterly report.
- c. A list of all affiliates.
- d. A statement of whether the requesting party is operating under any bankruptcy or insolvency law or any law relating to the relief of debtors, reorganization or creditors assignment.
- e. Such other information as Pipeline deems necessary to evaluate the creditworthiness of the requesting party.

11.4 Credit Alternatives

Notwithstanding the terms and conditions herein, a customer that does not demonstrate creditworthiness has the option of receiving service by providing to Pipeline one of the following:

- a. An irrevocable letter of credit from a creditworthy financial institution in an amount equal to the cost of providing the maximum level of the customer's requested service for the shorter of a twelve (12) month period or the term of the customer's service agreement. Said letter of credit must have a minimum term of at least one year.
- b. Prepayment for service equal to the cost of providing the maximum level of a customer's requested service for the shorter of a twelve (12) month period or the term of the customer's service agreement.
- c. A guarantee of the customer's financial performance for the term of the service agreement from a creditworthy (as determined herein) affiliate or third party, in a form satisfactory to Pipeline.

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GENERAL TERMS AND CONDITIONS

11.5 Acceptance of Service Requests

Pipeline will evaluate and respond to requests for service as soon as is reasonably possible. Pipeline will accept those requests for firm service which satisfy all applicable operational and creditworthiness criteria when and to the extent that Pipeline determines that capacity is available in Pipeline's existing facilities which capacity is not subject to a prior claim by another customer or class of service under a pre-existing service agreement or certificate. Pipeline will accept those requests for interruptible service which satisfy all applicable operational and creditworthiness criteria.

11.6 Execution of Service Agreement

If a customer's request for service and credit evaluation comply with this Section 11 and Pipeline accepts customer's request for service, Pipeline will tender a service agreement to the customer. If the customer fails to execute and return the service agreement within 30 days, Pipeline may consider the request for service invalid and the service agreement shall be void, and Pipeline shall return any earnest money deposit given in accordance with Section 11.1. For interruptible service, the date and time of the execution of the service agreement will determine priority in Pipeline's interruptible queue.

11.7 Queue Priority For Pipeline's Interruptible Service

Pipeline will maintain a queue of executed service agreements for interruptible service. The queue of existing interruptible service agreements which is in effect on the effective date of this section will remain in effect with existing service agreement execution dates and specified receipt and delivery points undisturbed. Requests for quantities of interruptible service shall be fulfilled commencing with service to be charged at Pipeline's applicable maximum tariff rate then in effect under this tariff in sequence starting with the earliest executed service agreement for $\bar{\text{such}}$ service; next in order shall be service charged at a rate that is less than Pipeline's applicable maximum tariff rate, in sequence from the highest rate to the lowest rate. At each rate level which is below the maximum applicable rate, service shall be offered in sequence starting with the earliest executed service agreement for such service. For purposes of determining which is the earliest executed service agreement, each such agreement shall have both the date and time of day of execution.

FERC Docket: RP97-105-001

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GENERAL TERMS AND CONDITIONS (Continued)

12. FLEXIBLE RECEIPT AND DELIVERY POINTS

12.1 Primary Receipt and Delivery Points

All firm Customers receiving service pursuant to Part 284 will have primary receipt and delivery points specified in their service agreements. Existing firm Customers on the effective date of this section that retain their firm capacity rights also retain their priorities at the receipt and delivery points designated in their service agreements. Primary receipt and delivery points specified in a Customer's service agreement will be quantity specific by each point. The sum of the quantities specified at each primary receipt and delivery point must equal the maximum daily contract quantity specified in the service agreement.

12.2 Secondary Receipt and Delivery Points

All firm Customers receiving service pursuant to Part 284 will be permitted to nominate service on a secondary basis at all receipt and delivery points on Pipeline's system subject to the availability of capacity. Each secondary receipt and delivery point nomination may specify quantities up to the MDCQ. Pipeline will maintain on its electronic communications system a master index of primary receipt and delivery point allocations for Customers requesting secondary points.

12.3 Addition of Receipt and Delivery Points

A firm Customer may add primary receipt and delivery points at any time during the life of the service agreement subject to the agreement of Pipeline. Changes in primary receipt and delivery points will be permitted provided sufficient receipt or delivery capacity exists at the specified meter station. Changes in primary receipt and delivery points will be effective upon 48 hours notice from the Customer to Pipeline, and will be subject to ratification through an amended service agreement. No firm Customer will lose priority to Pipeline's mainline capacity by adding, deleting, or changing primary receipt or delivery points. However, a firm Customer will not gain priority at any receipt or delivery point over a pre-existing firm Customer designating the same point as a primary point.

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GENERAL TERMS AND CONDITIONS (Continued)

12.4 Receipt and Delivery Points for Interruptible Service

Customers in Pipeline's interruptible queue on the day before the effective date of this Section have receipt and delivery points specified in their service agreements. Pipeline will maintain a master receipt and delivery point index for Part 284 interruptible customers requesting service on or after the effective date of this Section. An interruptible customer will nominate receipt and delivery points from the master $% \left(1\right) =\left(1\right) \left(1\right) \left($ list, and may change receipt and delivery points with no impact on the customer's previously granted interruptible priority. Any request by a customer to increase its MDCQ in conjunction with any change in receipt or delivery points will be considered a new request for service and require the execution of a new service agreement and a new priority at the end of pipeline's interruptible queue. However, the customer may, at its option, retain its place in the interruptible queue under its existing service agreement and existing volumes with changes in receipt and delivery points as provided in this Section, and execute a second interruptible service agreement which would be at the end of the queue for the remaining volumes it wishes to transport.

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GENERAL TERMS AND CONDITIONS (Continued)

12A. Allocation of Mainline Capacity

12A.1 Initial Allocations

The initial allocation of mainline capacity will be made through conversions of existing Section $7\,(\text{c})$ Customers. Any uncontracted capacity will be placed on Pipeline's electronic communication system and EDI and allocated in conformance with Section 25 of the General Terms and Conditions of this Tariff.

12A.2 Subsequent Allocations

All subsequent allocations of mainline capacity will be based on the provisions of Section 25 of the General Terms and Conditions of this Tariff.

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GENERAL TERMS AND CONDITIONS (Continued)

13. SCHEDULING OF SERVICES

13.1 Nominations

If a Customer desires service under the Pipeline's transportation rate schedules for any Nomination Period, as defined in Section 1(p) of these General Terms and Conditions, the Customer will submit a timely nomination to the Pipeline. All parties should support a seven-days-a-week, twenty-four-hours-a-day nominations process. It is recognized that the success of seven days a week, twenty-four hours a day nominations process is dependent on the availability of affected parties' scheduling personnel on a similar basis. Party contacts need not be at their ordinary work sites but should be available by telephone or beeper. The sending party should adhere to nomination, confirmation, and scheduling deadlines. It is the party receiving the request who has the right to waive the deadline. For submitting nominations the Customer must adhere to the following:

- a. All nominations should include Customer defined begin dates and end dates. All nominations excluding intra-day nominations should have roll-over options. Specifically, the Customers should have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of the Customer's contract.
- b. 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.
- c. Overrun quantities should be requested as a separate transaction and identified as such by using the appropriate nomination transaction type.
- d. A nomination is considered timely if submitted under either the timely nomination cycle or the evening nomination cycle. For the timely nomination cycle, the following times apply: a nomination must leave the control of the

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GENERAL TERMS AND CONDITIONS (Continued)

Customer either through the Pipeline's electronic communication system, EDI, or via facsimile no later than 11:30 a.m. CCT to be received by Pipeline by 11:45 a.m. CCT on the day prior to the first day of the Nomination Period. Pipeline will provide a quick response by noon CCT. For the evening nomination cycle, the following times apply: a nomination must leave the control of the Customer no later than 6:00 p.m. CCT to be received by Pipeline by 6:15 p.m. CCT on the day prior to the first day of the Nomination Period. Pipeline will provide a quick response by 6:30 p.m. CCT.

- e. The nomination and intra-day nomination shall contain the following information:
 - (i) The Customer's name, contact person, and service agreement number(s) under which service is nominated;
 - (ii) The transaction type and package ID if applicable;
 - (iii) The beginning and ending dates for the nomination which must fall within the term of the Customer's service agreement;
 - (iv) The specific daily quantity of gas requested under each service agreement for each day of the calendar month the Nomination Period;
 - (v) The desired receipt and delivery points and the nominated quantity associated with each. Delivery point quantity shall be adjusted to reflect the reimbursement of fuel to Equitrans in kind. The standard fuel calculation mechanism, as this is related to the nomination process, is (1-fuel%/100) multiplied by receipt quantity rounded to the nearest dekatherm ' delivery quantity. Pipeline will not reject a nomination for reasons of rounding differences due to fuel calculation of less than 5 Dth;
 - (vi) The names of entities who will deliver gas to Pipelines if available and who will receive gas $\begin{tabular}{ll} \end{tabular}$

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GENERAL TERMS AND CONDITIONS (Continued)

from Pipeline, along with upstream and downstream contract numbers and contact person;

- (vii) If deliveries are to be into a pool on another pipeline system, the identity of the pool operator and verification that the pool operator will be responsible for any imbalances;
- (viii) The portion of the nominated quantities designated for imbalance correction purposes;
 - (ix) Whether the nomination will roll over after the end of the Nomination Period; and
 - (x) Any business-conditional and/or mutuallyagreeable data elements which may be needed for the Pipeline to perform the service and satisfy the other operational constraints on its system.

13.2 Intra-Day Nominations

The Customer shall have the right to submit an intra-day nomination prior to gas flow to revise its scheduled quantities, point(s) of receipt, and/or point(s) of delivery on a prospective basis. Such intra-day nomination shall only be implemented to the extent that the Pipeline is able to confirm the receipt and delivery of such gas. There are two intra-day nomination cycles: (i) intra-day nomination 1 cycle, a nomination must leave the control of the Customer either through the Pipeline's electronic communications system, EDI, or via facsimile no later than 10:00 a.m. CCT to be received by the Pipeline by 10:15 a.m. CCT on the same day of gas flow to be effective at 5:00 p.m. CCT that same day. The Pipeline will provide a quick response by 10:30 a.m. CCT, and (ii) intra-day nomination 2 cycle, a nomination must leave the control of the Customer no later than $5:00\ p.m.$ CCT to be received by the Pipeline by 5:15 p.m. CCT on the same day of gas flow to be effective 9:00 p.m. CCT that same day. The Pipeline will provide a quick response by 5:30 p.m. CCT. Intra-day nominations may be used to nominate new supply or market. An intra-day nomination shall specify Customer's service requirement for one day only and shall include the effective date and time. Intra-day nominations do not replace the remainder of a standing nomination. There is no need to re-nominate if intra-day nomination modifies existing nomination. There is no limitation as to the number of intra-day nominations which a Customer may submit at any one standard

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nomination cycle or in total across all standard nomination cycles. The Pipeline may limit the Customer to one transmittal of nominations per standard intra-day nomination cycle excluding corrections of errors identified in the quick response for an interim period expiring April 1, 1999.

13.3 Agents

A Customer may use an agent, which may be Pipeline, to provide all or a portion of its necessary nomination data, provided that Pipeline receives advance written notice of such agency relationship. A Customer that uses an agent for nomination purposes shall hold Pipeline harmless for all actions or inactions of the Customer's agent.

- 13.4 Scheduling and Receipt and Delivery Allocation
 - a. Scheduling

Pipeline will confirm all timely nominations with the Customer's designated contacts for upstream and downstream transportation. Timely nominations will be confirmed by 3:30 p.m. CCT and by 4:30 p.m. CCT the Pipeline will provide scheduled quantities to its Customers. Evening nominations will be confirmed by 9:00 p.m. CCT and by 10:00 p.m. CCT the Pipeline will provide scheduled quantities to its Customers and give notice to bumped parties. Intra-day 1 nominations will be confirmed by 1:00 p.m. CCT and by 2:00 p.m. CCT the Pipeline will provide scheduled quantities to its Customers and give notice to bumped parties. Intra-day 2 nominations will be confirmed by 8:00 p.m. CCT and by 9:00 p.m. CCT the Pipeline will provide scheduled quantities to its Customers. The Pipeline shall schedule receipts and deliveries of gas in the following sequence:

- (i) First, among firm Customers nominating service at primary receipt and delivery points, up to contractual quantities specified for such points;
- (ii) Second, among firm Customers nominating service at secondary receipt and delivery points. Where nominations for secondary points exceed available capacity at that point, capacity will be allocated pro-rata based on the ratio of Customers' nominations

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GENERAL TERMS AND CONDITIONS (Continued)

as applied to the capacity available at the constrained points. $\,$

- (iii) Third, among interruptible Customers at the nominated receipt and delivery points in accordance with the priority established in Pipeline's interruptible queue from highest priority to lowest priority. Where interruptible service nominations at any point exceed available capacity and the nominating Customers share equal queue priority, capacity will be allocated pro-rata based on the ratio of Customers' nominations as applied to the capacity available at the constrained points.
- b. Receipt and Delivery Allocation
 - (1) All Customers will be allowed to aggregate volumes at any field receipt point on Pipeline's system and deliver those quantities anywhere on the system, subject to capacity constraints. When more than one receipt point or delivery point is designated, Customer and Pipeline shall agree as to the maximum amount of gas to be received or delivered at any time at each such receipt point or delivery point (the total of which amounts may not exceed the Maximum Daily Contract Quantities) and, subject to the limitations so established, Customer shall from time to time take or cause to be taken any and all action necessary or desirable with respect to the allocation of gas at such receipt point(s) or delivery point(s), including the issuing of predetermined allocations or instructions to Pipeline and Pipeline may rely on any such predetermined allocations or instructions and will receive or deliver gas in accordance with such predetermined allocations or instructions. Types of allocation methods include, but are not limited to Ranked, Pro-Rata, Percentage, Swing and Operator Provided Value. Only one predetermined allocation methodology shall be applied per allocation period. The types of allocation methodologies is a list from which two parties may agree. If the two parties cannot agree upon an allocation methodology, pro rata based upon confirmed nominations shall be used as the default method. party responsible for custody transfer (the party performing the measurement function) shall provide the

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GENERAL TERMS AND CONDITIONS (Continued)

allocation. When two or more persons are Customer under the same Service Agreement with Pipeline, an agent shall be designated and authorized to act on behalf of all such persons with respect to such predetermined allocations and instructions. Predetermined allocations must be submitted by the Customers after or during confirmations and prior to the start of the gas day which the allocation will govern. Pipeline shall acknowledge the receipt of the predetermined allocation within fifteen (15) minutes of its receipt. Once confirmed, such allocation will govern all transportation activity at the specified point for the Nomination Period. No retroactive reallocation of transactions will be made unless agreed to by Pipeline and all affected parties.

- (2) When Pipeline receives gas from more than one Customer at a common receipt point or delivers gas to more than one Customer at a common delivery point, Pipeline shall apportion the total measured receipt or delivery to each Customer pro rata based on the nominations of each such Customer; provided however, Pipeline shall rely upon any predetermined allocation or instruction agreed to between such Customers in apportioning the total measured receipt or delivery.
- (3) Pipeline shall not be required to lower its system operating pressure, or to alter the direction of gas flow, the gas load, or other operation or utilization of its facilities in order to receive, transport or deliver gas. Deliveries of gas to Pipeline by Customer at the points of receipt under the Service Agreement shall be at natural reservoir pressure without compression and sufficient to cause the gas to enter Pipeline's facilities; provided, however, that compression may be utilized by Customer with the prior written consent of Pipeline. Deliveries of gas by Pipeline to Customer at the points of delivery under the Service Agreement shall be at the pressure that exists in Pipeline's facilities at that point from time to time. Pipeline's MAOP at relevant points on the system shall be specified in each Service Agreement. Pipeline will post routine maintenance and any regulatory compliance activities which may affect scheduling.

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(4) By the end of each day, Pipeline shall make available to the Customer information containing its scheduled quantities including its scheduled intra-day nomination and any other scheduled changes with respect process via EDI the Pipeline will send the scheduled quantity document to the Customer unless the Customer waives the Pipeline from sending the scheduled quantity document.

c. Disputed Allocations. The Customer must notify the Pipeline of any dispute in allocations within six (6) months of the initial month-end allocation, with a three (3) month rebuttal period. Such time limits shall not apply in the case of deliberate omission, misrepresentation, or mutual mistake of fact, nor shall this provision diminish other statutory or contractual rights of the parties.

13.5 Customer Acceptance

In the event that any Customer is scheduled to receive any portion of its service on a pro-rated basis, and elects not to accept the pro-rated capacity, it must notify Pipeline of its election within one hour after receiving notification of proration of capacity. Pipeline will then offer the relinquished amount of pro-rated capacity to the other Customers(s) for whom service was pro-rated. Pipeline will then offer the relinquished amount of pro-rated capacity to the other Customers(s) for whom service was pro-rated.

13.6 Bump Policy

Once all or a portion of the nomination of a Customer is accepted and scheduled pursuant to Section 13.6 during Nomination Period, said daily scheduled service shall not be interrupted or curtailed at any point on Pipeline's system unless: (1) interruption or curtailment is necessary for reasons of force majeure pursuant to Section 15 of these General Terms and Conditions; or (2) such capacity is required to provide a higher priority service as a result of a nomination received during the timely nomination cycle, evening nomination cycle or intra-day nomination 1 cycle. Bumping is not allowed during the intra-day nomination 2 cycle. The Pipeline will provide timely notification in the same manner of notice for Operational Flow Orders in Section 16.3 of these General Terms and Conditions to any Customer whose scheduled quantities are bumped as a

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GENERAL TERMS AND CONDITIONS (Continued)

result of a timely nomination, evening nomination or intra-day 1 nomination. In determining priority of service, firm service at a primary or secondary point shall have higher priority than interruptible service at the same point, and firm service at a primary point shall have higher priority than firm service at a secondary point.

13.7 Posting of Subscribed and Available Capacity

No later than the first day of the calendar month, Pipeline will post on its electronic communications system and via EDI to reflect the capacity which remains unbooked after completion of the nomination process, and is available for that month on its mainline transmission system and at each major receipt and delivery point. Customers may nominate available capacity during the month in accordance with the procedures set forth in Sections 13.1 and 13.2. If, as the result of changes in nominations or new nominations received during the Nomination Period, Pipeline determines that it has additional capacity available on its system, Pipeline will post the additional capacity on its electronic communications system and via EDI.

13.8 Scheduling Penalties

Subject to the other provisions of its tariff, Pipeline will endeavor to make daily delivery at delivery points of quantities equivalent to those received for the Customer at receipt points less applicable retainage. To the extent that Pipeline is able to determine a violation of these scheduling procedures during the months at any point on its system, Pipeline will notify all Customers with flowing gas at that point to bring receipts and deliveries into compliance with nominations. Except as provided in Section 35 of the General Terms and Conditions, Pipeline does not propose to charge penalties to any Customer resulting from monthly imbalances between scheduled receipts and deliveries at points other than interconnections with interstate pipeline systems, nor will penalties be imposed respecting a Customer's deliveries to another interstate pipeline, so long as such interstate pipeline does not require Pipeline to execute an Operating Balancing Agreement and the shipper receiving the gas on the interstate pipeline is responsible for any imbalances.

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GENERAL TERMS AND CONDITIONS (Continued)

14. CURTAILMENT OF SERVICE

14.1 Generally

If on any day Pipeline determines that its system, or any portion thereof, is unable to receive or deliver the total requirements of gas which it is otherwise obligated to receive or deliver, Pipeline shall have the right to curtail, interrupt, or discontinue service, in whole or in part, on the affected portions. Such curtailment may occur for reasons of force majeure, as defined in Section 15, or when necessary in Pipeline's reasonable judgment to meet its system operating requirements or other higher priority service obligations.

14.2 Service Priority Under Capacity Curtailment

In circumstances of curtailment and subject to the operating requirements of its system, Pipeline shall reduce each Customers' scheduled service, to zero if necessary, in the following order:

- (i) Scheduled interruptible service in accordance with the priority established in Pipeline's interruptible queue, from lowest priority to highest priority. Where interruptible shippers share the same queue priority, service will be curtailed on a pro-rata basis;
- (ii) Scheduled firm services on a pro-rata basis.

FERC Docket: CP93-568-002

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GENERAL TERMS AND CONDITIONS (Continued)

- 14.3 Service Priority Under Gas Supply Curtailment
 - A. Pipeline does not currently maintain a gas supply. If a gas supply is maintained by Pipeline, curtailment will be as follows: During any curtailment period Pipeline shall operate its system to the best of its ability to apportion its available gas supply among Customers based on the following end-use priorities, notwithstanding any other provision of this Tariff or any Service Agreement between Pipeline and Customer, to wit:
 - Residential, small commercial (less than 50 dth on a peak day), schools, hospitals, police protection, fire protection, sanitation facility, or correctional facility.
 - Essential agricultural requirements as certified by the Secretary of Agriculture.
 - 3. Essential industrial process and feedstock uses.
 - 4. Large commercial requirements (50 dth or more on peak day), firm industrial requirements for plant protection, feedstock and process needs, pipeline customer storage injection requirements, and firm industrial sales up to 300 dth per day.
 - All industrial requirements not specified in 2, 3, 4, 6 or 7 hereof.
 - Firm industrial requirements for boiler fuel use of more than 300 dth per day, where alternate fuel capabilities can meet such requirements.
 - Interruptible requirements of more than 300 dth per day, where alternate fuel capabilities can meet such requirements.
 - B. The definitions of terms for the priority of service categories are as follows:
 - Residential: Service to customers which consists of direct natural gas usage in a residential dwelling, including apartments and other multi-unit buildings, predominately for space heating, air conditioning, cooking, clothes drying, water heating and other residential uses.

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- Hospital: Service to a facility, the primary function of which is delivering medical care to patients who remain at the facility including nursing and convalescent homes but excluding outpatient clinics or doctor's offices.
- Schools: Service to a facility, the primary function of which is to deliver instruction to regularly enrolled students in attendance at such facility.
- 4. Essential Agricultural: Service to customers for natural gas usage which is certified by the Secretary of Agriculture pursuant to 7 C.F.R. 2900, et seq. exclusive of requirements as to which the Commission has determined in 18 C.F.R. Part 281, Subpart C, that an alternative fuel is reasonably available and economically practicable.
- 5. Essential Industrial Process and Feedstock Uses: Any use which falls within the definition prescribed by the Secretary of Energy pursuant to Section 402 of the Natural Gas Policy Act of 1978. Until such time as the Secretary of Energy prescribes the rule required by Section 402 of the Natural Gas Policy Act of 1978 and the Commission implements said rule, Customers' end uses shall be assigned to Priority 3 to the extent they fall within the definitions of industrial "Feedstock gas" and "process gas" set forth in 11 and 12, respectively, of these definitions.
- 6. Commercial: Service to customers engaged primarily in the sale of goods or services including institutions and local, state, and federal government agencies for use other than those involving manufacturing or electric power generation.
- 7. Industrial: Service to customers engaged primarily in a process which creates or changes raw or unfinished materials into another form of product including the generation of electric power.
- 8. Firm Service: Service from schedules or contracts under which Pipeline is expressly obligated to deliver specific quantities within a given time period and which anticipates no interruptions, but which may permit unexpected interruption in case the supply to higher priority customers is threatened.

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- 9. Interruptible Service: Service from schedules or contracts under which Pipeline is not expressly obligated to deliver specific quantities within a given time period, and which anticipates and permits interruption on short notice, or service under schedules or contracts which expressly or impliedly require installation of alternate fuel capability.
- 10. Plant Protection Gas: Minimum quantities required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternate fuel.
- 11. Feedstock Gas: Natural gas used as raw material for its chemical properties in creating an end product.
- 12. Process Gas: Gas use for which alternate fuels are not technically feasible such as in applications requiring precise temperature controls and precise flame characteristics. For purposes of this definition propane and other gaseous fuels shall not be considered alternate fuels.
- 13. Boiler Fuel: Natural gas used as a fuel for the generation of steam or electricity, including the utilization of gas turbines for the generation of electricity.
- 14. Alternate Fuel Capabilities: A situation where an alternate fuel could have been utilized whether or not the facilities for such use have actually been installed; provided however, where the use of natural gas is for plant protection, feedstock, or process uses and the only alternate fuel is propane or other gaseous fuel, then the consumer will be treated as if that consumer had no alternate fuel capability.
- C. The priorities of delivery set forth above, and the apportioning of available gas supply as provided for in Section 14.3 of this Article, will be applied to Pipeline's deliveries during curtailment periods. The above list of priorities requires the full curtailment of the lower priority

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category quantities to be accomplished before curtailment of any higher priority quantities is commenced. Additionally, the above list requires both the direct and indirect customers of the Customer that use gas for similar purposes to be placed in the same category of priority.

D. The priorities of delivery for each Customer are set forth in the index of entitlements provided for in this Section 14. During any period in which Pipeline has invoked curtailment under this Section 14, the index of entitlements effective at the commencement of such curtailment period shall remain effective for the duration of such curtailment period and shall not be changed during such period.

14.4 Customer Reports

Each Customer shall promptly furnish such information as Pipeline may request from time to time to implement any curtailment under this Section, including, but not limited to, (1) the Customer's monthly requirements from Pipeline by priority of service categories with supporting data, including information of individual industrial customers served by Pipeline's customers and (2) the periodic deliveries from Pipeline planned by the Customer to implement any allocation of deliveries made effective under this Section during any curtailment period.

14.5 Curtailment Apportioning

During each month of any curtailment period, and subject to the priorities of delivery set forth in Section 14.3 above and pursuant to the index of entitlements established for each Customer under this Section, Pipeline shall operate its system to the best of its ability to sell and deliver to each of its Customers, as a maximum, the percentage of Pipeline's total available gas supply which is equal to the percentage obtained by dividing Pipeline's total sales and deliveries to Customer during the same month of the year next preceding the month in which the curtailment occurs by the total sales and deliveries of Pipeline during that month. Should curtailment be invoked by Pipeline, Pipeline shall, as soon as practicable, notify Customer of those quantities of gas available hereunder for sale and delivery to Customer during each month of the curtailment period.

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14.6 Special Adjustment Procedure

- A. If any Customer shall notify Pipeline, pursuant to the notification procedure set forth in Section 14.6(b) hereof, that for any curtailment period, such customer's apportioned share of gas will result in emergency conditions, including environmental emergencies, irreparable injury to life or physical property, or in such Customer's inability to serve minimum plant protection quantities when operations are shut down, and that such Customer has to the extent feasible scheduled the use of all alternate sources of supply available for the curtailment period involved, Pipeline, having satisfied itself that the Customer is entitled thereto, shall permit a special adjustment to such Customer's apportioned share of gas equal to the quantity required to avoid such emergency to the extent Pipeline can permit such adjustment without creating similar emergencies for other Customers or jeopardizing Pipeline's operating program; provided, however, that no Customer shall be entitled to receive on any day or in any period a quantity in excess of its contract quantity limitations and that any Customer receiving a special adjustment shall return the quantity involved to Pipeline before resuming any interruptible services; and provided further that, if Pipeline determines that it is necessary, Pipeline may offset any such special adjustment by reductions of the apportioned share of gas of other Customers pursuant to the procedures specified in Section 14.3 hereof. This special adjustment procedure may not be used by any party, however, to increase its priority level or to raise a lower priority user to a higher priority level.
- B. A Customer shall obtain such special adjustment by delivering a written request to Pipeline, but each Customer obtaining a special adjustment shall mail to Pipeline, within 48 hours after the delivery of said written request, an affidavit certifying the detailed facts concerning the emergency involved and showing that such Customer has met the criteria specified herein for each such special adjustment for the period thereof.
- 14.7 Limitation of Pipeline's Obligation to Serve

Pipeline shall endeavor to acquire the gas supplies necessary to serve all Customers' full contractual entitlements. Notwithstanding Pipeline's efforts, however, it may not have sufficient gas supplies to serve all Customers' full contractual

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entitlements in the future. In such event, Pipeline shall not be liable for any losses or for either actual or consequential damages arising out of its failure to have sufficient gas supplies for delivery to Customers, and Pipeline's implementation of the curtailment procedures set forth in this Section 14 shall constitute full compliance with its delivery obligations under this Tariff, except to the extent its failure to have sufficient gas supplies is shown to be the result of its own negligence or misfeasance.

14.8 Decrease in Reservation Charge for Failure to Make Full Delivery

If Pipeline, during any curtailment period, fails or is unable to deliver to Customer during any one or more days the quantity of natural gas which Customer is entitled to take and would in good faith have purchased, up to the maximum quantity of natural gas which Pipeline is obligated by the gas sales contract to deliver to Customer, then the reservation charge as otherwise computed under any rate schedule containing a reservation charge in this Tariff shall be reduced by an amount equal to the applicable daily reservation charge per dth times the difference between the quantity of natural gas actually delivered during said day or days and the quantity of natural gas scheduled by Customer for delivery during said day or days.

14.9 Unauthorized Overrun Penalty

If, during any curtailment period whether due to capacity or gas supply limitations any Customer takes, without Pipeline's advance approval, a quantity of natural gas in excess of the maximum amount to which it is entitled pursuant to this Section, said quantity shall constitute unauthorized overrun quantity. For each dth of such unauthorized overrun quantity taken by such Customer, such Customer shall pay to Pipeline a penalty of ten dollars (\$10.00) together with and in addition to the reservation, commodity, gas penalty charges and other charges otherwise payable by such Customer for the period in which said unauthorized overrun quantity was taken; provided, however, if, due to mechanical failure or inadvertent human error, any customer, while exercising reasonable prudence, takes overrun gas, then such Customer may request Pipeline to grant relief if, during the period the overrun payment was incurred, deliveries to Pipeline's other customers were not unduly adversely affected thereby and/or Pipeline's operations were not materially impaired thereby. Neither the payment of a penalty for unauthorized overrun, nor the

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waiver of such penalty by Pipeline, shall under any circumstances be considered as giving any such customer the right to take unauthorized overrun; nor shall any such payment or waived payment be considered as a substitute for any other remedies available to Pipeline or any other Customer against the offending Customer for failure to adhere to its obligations under the provisions of this Section 14.

14.10 Disposition of Penalty

In December of each year, if Pipeline has collected during the prior 12 month period, overrun penalty charges, as provided in Section 14.9 hereof, Pipeline shall disburse the amount collected to those of its Customers which on any day during the twelve months ending the preceding October failed to receive the quantity of natural gas to which they were entitled under their contracts with Pipeline and which in good faith they would have purchased from Pipeline, but were unable to because of the taking of unauthorized overrun quantities by another Customer within the meaning of Section 14.9 of this Section. Such disbursement shall be computed at the rate of ten dollars (\$10.00) per dth, or such lesser rate as will distribute proportionately among Customers entitled to payments hereunder all overrun penalties collected by Kentucky West under Section 14.9 of this Section during the above-described twelve-month period, for each dth of gas which such Customer failed to receive as hereinabove provided.

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14.11 Index of Entitlements for Pipeline's Sales Customers

PRIORITY OF ENTITLEMENTS

DTHS % 1 2 3 4 5 6 7

(NONE)

Total Delivery

% of Total Delivery

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GENERAL TERMS AND CONDITIONS (Continued)

15. FORCE MAJEURE

Neither Pipeline nor Customer shall be liable in damages to the other for any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightening, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe; curtailments or interruptions of gas service which may be required, on notice by Pipeline to Customer, under any regulation or order of, or any rule filed with and accepted by, any regulatory body having jurisdiction; any other binding order which has been resisted in good faith by all reasonable legal means; and any other cause, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes against the Pipeline or the Customer shall not be considered a matter within the control of the party claiming suspension. Such causes or contingencies affecting the performance under the Service Agreement by either Pipeline or Customer, however, shall not relieve it of liability in the event of its concurrent negligence or in the event of its failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payment of amounts then due hereunder in respect of gas theretofore delivered. Failure or interruption of transportation of gas either upstream or downstream of Pipeline's system shall not constitute a force majeure event for purposes of Customer's responsibility to pay the reservation charges otherwise owing under Pipeline's transportation rate schedules.

During the effectiveness of any operational flow order, the obligation of Pipeline to deliver the quantity of gas received for Customer's account shall be reduced by the quantities retained pursuant to this section. Gas retained by Pipeline under an operational flow order may be utilized to meet demands for compressor fuel, to replace lost gas, or to replace line pack reduced due to unscheduled maintenance, or for other similar uses.

The volumes of gas retained by Pipeline under an operational flow order which otherwise would have been delivered to a customer will be offset against the imbalance of over-deliveries to that customer in subsequent months until the volume is reduced to zero. In addition, no imbalance, scheduling, or other penalty will be assessed against a customer whose imbalance is attributable to an operational flow order pursuant to this section.

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GENERAL TERMS AND CONDITIONS (Continued)

16. OPERATIONAL FLOW ORDERS

16.1 Generally

An operational flow order is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity, of the Pipeline's system or to maintain operations required to provide efficient and reliable firm service. Whenever the Pipeline experiences these conditions, any pertinent order shall be referred to as an Operational Flow Order ("OFO"). In the event that Pipeline determines, in its sole discretion, that in order to permit the continued operation of all or part of its system a quantity of gas must be received or delivered at any point or location on its system, and that such operating requirement cannot be accomplished using the facilities and gas supply under Pipeline's control in the time period necessary, Pipeline may issue OFOs which shall require specified action on the part of Customers, and which shall be applied on a nondiscriminatory basis to all quantities flowing at the designated points on Pipeline's system at which action is required.

16.2 Operational Flow Order Condition in Customer Service Agreements

All firm and interruptible transportation and/or gathering Service Agreements will contain a provision guaranteeing Pipeline's right to issue an OFO directly to any supplier, operator, transporter or owner of Customer's gas. Customer may take direct responsibility for ensuring compliance with an OFO, or at its option, may use an agent, which may be Pipeline, for ensuring compliance. Such election must be made prior to executing the Service Agreement, and may be changed upon reasonable notice to the Pipeline.

16.3 Notice

Each Customer shall designate one or more persons for Pipeline to contact on a 24-hour per day, 365 days a year basis. If Pipeline invokes its rights under this section, it will provide actual notice of OFOs to the affected Customers by telephone or facsimile transmission, containing the following information:

- (i) The point(s) or location(s) on Pipeline's system at which Pipeline requires action in order to maintain system operations;
- (ii) The conditions which necessitate the issuance of the OFO and specific responses required from the affected parties.

FERC Docket: RP97-105-006

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- (iii) The action required at each point or location, including the total quantity of gas Pipeline estimates it will require to be received or delivered;
- (iv) A designation of the customers affected, and the specific individual action required by each;
- (v) The day and time at which the OFO will become effective; and
- (vi) The period of time during which Pipeline expects the OFO to remain in effect.

If Pipeline is unable to contact any Customer because Customer's contact person is unavailable, Pipeline shall take all actions necessary to effectuate such OFO and the Customer shall be solely responsible for any consequences arising from such failure of communication.

16.4 Posting

Pipeline will post all OFOs on its electronic communications system and via EDI. OFOs will remain posted for the entire period they are effective.

16.5 Types of Operational Flow Orders

Pipeline shall have the right to issue OFOs for the purposes set forth below:

a) System Maintenance

Pipeline may direct Customers under Rate Schedules FTS and ITS to increase or decrease receipts of flowing gas at specified receipt points or in specified line segments in order to accommodate required maintenance, either scheduled or unscheduled.

- (b) System Operation
 - (1) Pipeline may direct Customers under Rate Schedules FTS or ITS to increase or decrease receipts of flowing gas in order to maximize available compressor station horsepower on high demand days, maximize system capacity, maintain proper receipt distribution on its system, or alleviate high system pressures.
 - (2) Pipeline may direct Customers under Rate Schedules

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FTS or ITS to decrease deliveries in the event that delivery pressure at one or more delivery points drops below, or is expected to drop below, reasonable operating limits.

If an OFO is issued for any reason other than those described in the preceding paragraphs (a) and (b), Pipeline will post on its electronic communications system, via EDI and send to the Commission a detailed explanation containing all relevant information specific to that individual situation.

16.6 Compliance

Compliance with OFOs issued by Pipeline is essential to Pipeline's ability to provide services under all of its rate schedules. If any Customer fails to comply with an OFO on the day and time of its effectiveness, Pipeline will notify the Customer of such noncompliance as soon thereafter as practicable, and the Customer will have one hour, or such lesser time as is appropriate under the circumstances, to comply with the OFO. Customer may use an agent, which may be Pipeline, to ensure compliance with any OFO. If Customer and/or Customer's supplier, agent, operator or transporter fail to comply with the terms of an OFO, such Customer shall be liable for any damages including, but not limited to, direct, consequential, exemplary or punitive damages incurred by Pipeline or any other party as a result of such failure.

16.7 Reimbursement

If Pipeline is required to divert gas pursuant to an OFO which would otherwise have been delivered to a Customer, Pipeline shall pay the recipient of the OFO for such quantity of gas at a price per dekatherm equal to the spot market index price for Appalachian production delivered to Columbia Gas Transmission Corporation in Kentucky as published in Inside FERC's Gas Market Report for the month in which such diversion occurred. In addition, no imbalance, scheduling, or other penalty will be assessed against a Customer whose imbalance is attributable to its own actions or the actions of Pipeline taken in compliance with an OFO pursuant to this section. Pipeline shall not otherwise be liable for any charge, loss or damage to the Customer as the result of the imposition of an OFO.

FERC Docket: RP97-105-001

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16.8 Cost Recovery for Operational Flow Orders

Pipeline shall file for Commission approval to recover all costs it incurs in connection with the issuance, operation and termination of any operational flow orders, including such reimbursement costs specified in Section 16.7, and for approval of an allocation and billing methodology for recovery of such costs from Customers.

17. NON-WAIVER OF FUTURE DEFAULTS

No waiver by Pipeline of any one or more defaults by a Customer in the performance of any provision of these General Terms and Conditions or any provisions of the Service Agreement between Customer and Pipeline shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character, for the same or any other Customer.

18. MODIFICATION

No modification of the terms and provisions of any Service Agreement shall be or become effective except by the execution of a written contract.

19. NOTICES

Any notice, request, demand, statement or invoice provided for in these General Terms and Conditions, and the rate schedule to which they apply or any notice which either Pipeline or Customer may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered mail to the post office address of Pipeline or Customer or at such other address as either shall designate by formal written notice. Routine communications, including monthly statements and payments, shall be considered as duly delivered when mailed by either registered or ordinary mail. Notices that are submitted or received via the electronic communciations system or via EDI must be confirmed in writing or by facsimile as soon thereafter as possible.

FERC Docket: CP93-568-002

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GENERAL TERMS AND CONDITIONS (Continued)

20. ASSIGNMENT

Any company which shall succeed by purchase, merger or consolidation to the properties, substantially or in their entirety, of Pipeline or of Customer, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessors in title under a Service Agreement. Any party may, without relieving itself of its obligations under such Service Agreement, assign any of its rights thereunder to a company with which it is affiliated, but otherwise no assignment of such Service Agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of Pipeline, in the event of any assignment by Customer, or the consent thereto of Customer, in the event of any assignment by Pipeline. These restrictions on assignment shall not in any way prevent any party from pledging or mortgaging its rights under a Service Agreement as security of its indebtedness.

21. TERMINATION FOR DEFAULT

If either Pipeline or Customer shall fail to perform any of the covenants or obligations imposed upon it or them under and by virtue of a Service Agreement hereunder, then in such event the other party may at its option terminate such Agreement by proceeding as follows: The party not in default shall cause a written notice to be served on the party in default stating specifically the cause for terminating the Agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have thirty (30) days after the service of the aforesaid notice in which to remedy or remove the cause or causes stated in the notice for terminating the Agreement, and if within said period of thirty (30) days the party in default does so remove and remedy said cause or causes and fully indemnify the party not in default for any and all consequences of such breach, by a good and sufficient indemnity bond or otherwise, then such notice shall be withdrawn and the Agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes or does not so indemnify the party giving the notice for any and all consequences of such breach, within said period of thirty (30) days, then, after any necessary authorization by regulatory bodies having jurisdiction, the Agreement shall become null and void from and after the expiration of said period, provided that notice of termination has not been withdrawn prior thereto. Any cancellation of such Agreement pursuant to the provisions of this Section shall be without prejudice to the right of Pipeline to collect any amounts then due to it for natural gas delivered prior to the time of cancellation, and without waiver of any remedy to which the party not in default may be entitled for violations of such Agreement.

FERC Docket: CP93-568-002

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GENERAL TERMS AND CONDITIONS (Continued)

22. GOVERNMENTAL REGULATION

These General Terms and Conditions, the Rate Schedules to which they apply, and the respective obligations of the parties to any executed Service Agreement for service thereunder are subject to all present and future valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.

23. DESCRIPTIVE HEADINGS

The descriptive heading of the provisions of this Gas Tariff are formulated and used for convenience only and shall not be deemed to affect the meaning of construction of any of such provisions.

24. PREGRANTED ABANDONMENT

24.1 Short Term and Interruptible Agreements

A customer receiving service under a firm service agreement having a primary term of less than one year ("short term firm service agreement") or under an interruptible service agreement retains no right to continued service after the termination of such agreement. Upon termination of a short term or interruptible service agreement, Pipeline shall have all necessary abandonment authorization under the Natural Gas Act as of such termination date, and shall not be required to seek case-specific authorization prior to abandoning service.

FERC Docket: RP97-105-001

First Revised Sheet No. 140 First Revised Sheet No. 140: Superseded

Superseding: Original Sheet No. 140

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24.2 Long Term Agreements -- Right of First Refusal Service agreements which have a primary term of one year or more and which contain a rollover or evergreen provision are not subject to pre-granted abandonment under this Section 24. A Customer receiving service under a firm service agreement having a primary term of one year or more ("long term firm service agreement") which does not contain a rollover provision may avoid pregranted abandonment of service in connection with the termination of its service agreement and continue to receive service by matching the rate and contract term bid by a competing Customer in accordance with the procedures described below. If the Customer does not satisfy the bid matching requirements of this section, Customer shall no longer have a right to continued service as of the effective date of Pipeline's notice of termination. If no other bids are received and the Customer does not agree to pay the maximum rate, and Pipeline and the Customer do not otherwise agree on the continuation of service, then the Customer shall no longer have a right to continued service as of the effective date of Pipeline's notice of termination. In the event of termination, Pipeline shall have all necessary abandonment authorization under the Natural Gas However, a Customer agreeing to pay the maximum rate is entitled to continued service for whatever term it chooses.

24.3 Notice and Posting

At least sixty (60) business days prior to the expiration of a long term firm service agreement, Pipeline will serve on the affected Customer a notice of termination advising the Customer of the pending termination of its agreement and of the Customer's right to retain its service entitlement by matching the rate and contract term bid by a competing Customer. At the same time, Pipeline will post the available capacity on its electronic communications system and EDI, including the quantity available, receipt and delivery points and maximum applicable rate. The notice will remain posted for thirty (30) days until the end of the bidding period.

FERC Docket: RP98-163-001

Sub Second Revised Sheet No. 141 sub Second Revised Sheet No. 141 : Superseded

Superseding: First Revised Sheet No. 141

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24.4 Bidding

Potential customers interested in acquiring the service must submit offers to contract for all or part of the available capacity by 5:00 p.m. thirty (30) business days after the capacity is posted to Pipeline's electronic communications system and EDI. To be valid, a bid must provide all information and data required by Section 11.2 and 11.3 of Pipeline's General Terms and Conditions. In addition, the potential Customer must provide a refundable prepayment equal to one month's demand charge based on the quantity desired and the requested price. All bids, including the relevant terms and conditions, will be posted on the electronic communications system and EDI for review by any party, and the existing Customer will be notified by the Pipeline of the relevant terms of all competing bids.

24.5 Best Bid

At the close of the bidding period, Pipeline will evaluate all bids received for completeness, rate acceptability and creditworthiness, and will choose the offer it will accept if the existing Customer chooses not to match the offer ("the best bid"). For purposes of this section, the best bid shall be the bid which offers the maximum applicable rate for the full term of the bid which shall not exceed five (5) years. If no bidder offers the maximum rate for the full term of the bid, Pipeline may select the best bid based on the maximum revenue over the minimum term of the bid. However, Pipeline shall not be required to accept any offer at less than the maximum rate.

24.6 Matching Offer by Existing Customer

Pipeline will notify the existing Customer of the relevant terms of the best bid. The Customer will then have twenty (20) business days to notify Pipeline that it elects to continue service under the rates and terms applicable to the best bid, and agrees to execute a new service agreement reflecting those rates and terms. If the existing Customer agrees to match the best bid, Pipeline will refund the prepayments made by all other Bidders. Failure to notify within the 20 day period constitutes a non-revocable waiver of Customers' right to match the best bid, and will result in the abandonment of service to that Customer. If the existing Customer chooses not to match the best bid, Pipeline will offer the service to the selected bidder. If, for whatever reason, service is not actually provided pursuant to the bids, Pipeline will report the available capacity on its electronic communications system and EDI, and the bidding process will repeat.

FERC Docket: RP97-105-001

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24.7 No Acceptable Offers

If Pipeline receives no acceptable bids for the available capacity, or if Pipeline receives acceptable bids for only a portion of the capacity, Pipeline and the current Customer may negotiate the terms of a new service agreement for the remainder of the available capacity.

25. CAPACITY RELEASE

25.1 Purpose

This Section sets forth the specific terms and conditions which shall apply on a uniform, non-discriminatory basis to the right of firm Part 284 Customers paying reservation charges to release capacity entitlements on Pipeline's system.

25.2 Applicability

This Section is applicable to any Customer that has executed a service agreement for firm service and is paying a reservation charge under Pipeline's open-access rate schedules. Any such Customer shall have the right to release any portion of the firm capacity entitlements it holds provided that the capacity released is acquired by a Replacement Customer pursuant to the terms of this section.

25.3 General Provisions

Any firm Customer is eligible to release its Part 284 capacity for use by a Replacement Customer subject to the provisions of this Section.

- (i) A Releasing Customer may release any portion of its capacity up to its Maximum Daily Quantity, and may release capacity for a minimum term of one day up to the remaining term of its firm service agreement.
- (ii) Pipeline will allow re-releases on the same terms and basis as the primary release (except as prohibited by regulations). Any Replacement Customer which has previously contracted for released capacity may also release the capacity to another party for a minimum term of one day up to the remaining term of the released capacity. While there is no restriction on the number of times capacity can be released, the original terms and conditions of release imposed by the Releasing Customer, including any right to recall the capacity, will continue

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to apply to all subsequent releases.

- (iii) Any party interested in acquiring capacity through Pipeline's capacity release program must submit all credit information required in Section 11.3 of these General Terms and Conditions and be prequalified before it can submit bids under the capacity release program.
- (iv) Pipeline will enter into a service agreement with the Replacement Customer prior to the commencement of service which confirms the terms and conditions applicable to the released capacity. A Replacement Customer acquires all rights and obligations of the Releasing Customer. If the Replacement Customer changes primary receipt and delivery points, the Releasing Customer is at risk as to whether it will be able to regain its original primary points when the capacity is returned. However, the Releasing Customer may condition its release to prohibit the Replacement Customer from changing the primary receipt and delivery points specified in the service agreement.
- (v) Irrespective of the release of its capacity, the Releasing Customer remains bound and liable for performance under its service agreement unless excused in writing by Pipeline. The excuse of performance under a service agreement of a Releasing Customer shall be at Pipeline's sole discretion, and may be conditioned on the payment of an exit fee and recovery by Pipeline of any amounts due. In making a determination on excuse of performance, Pipeline will exercise its discretion in a non-discriminatory manner. In the case of a permanent release of capacity, the Releasing Customer will be relieved of liability under its service agreement if the Replacement Customer has agreed to enter into a contract for the remaining term of the Releasing Customer's service agreement and has agreed to pay the maximum rate.
- (vi) A Releasing Customer may release capacity on a firm or interruptible basis, but not both simultaneously. If a Releasing Customer has previously released its capacity on an interruptible basis, it may elect to release the same capacity on a firm basis during the interruptible release term. A firm release will terminate the interruptible release arrangement.

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GENERAL TERMS AND CONDITIONS (Continued)

(vii) Any specific release conditions requested by a Releasing Customer must be operationally feasible and be nondiscriminatory to other shippers. Bids on capacity for periods in excess of one month may be contingent on acquisition of downstream capacity.

- (viii) Except as provided in Section 25.7, a bid may be withdrawn after it is on received by Pipeline on Pipeline's electronic communications system or via EDI any time up to the last day of the bidding cycle. Once a bid from an approved Bidder is accepted by Releasing Customer, it shall be considered a binding agreement. Pipeline will post all completed release transactions on its electronic communications system or via EDI.
 - (ix) Bids for released capacity may not exceed the maximum tariff rate for the applicable service set forth in Pipeline's FERC Gas Tariff, as may be changed from time to time.
 - (x) Capacity Release timeline set forth in Section 25.7 shall be applicable to all parties involved in the Capacity Release process; provided, however, the timeline shall only be applicable if: 1) all information provided by the parties to the transaction is valid, 2) the acquiring Customer has been determined to be creditworthy before the capacity release bid is tendered, and 3) there are no special terms or conditions of the release.

FERC Docket: RP97-105-001

First Revised Sheet No. 145 First Revised Sheet No. 145: Superseded

Superseding: Original Sheet No. 145

GENERAL TERMS AND CONDITIONS (Continued)

25.4 Notice by Releasing Customer

A Releasing Customer that wishes to place capacity up for bid through Pipeline's capacity release program shall submit a notice to Pipeline's electronic communications system or EDI that it elects to release firm capacity. The notice shall set forth the following information:

- (i) Releasing Customer's name and the name and title of the individual authorizing the release of capacity;
- (ii) Service Agreement number;
- (iii) The maximum and minimum numeric quantity of firm capacity which the Releasing Customer desires to release on a per day basis for transportation;
- (iv) The primary points of receipt and delivery at which the Customer will release the capacity and the capacity to be released at each point;
- (v) The requested effective date and the term of the release;
- (vi) Whether the release is on a recallable or non-recallable basis, and if recallable, the conditions of recall and whether the capacity must be returned to Replacement Customer after a recall has ended. Reput method and rights shall be specified at the time of the deal. Reput method and rights are individually negotiated between the Releasing Customer and Replacement Customer;
- (vii) The reservation rate for the release, expressed in dollars and cents or as a percent of the maximum tariff rate, or, if the Releasing Customer elects to release capacity on a volumetric basis, the volumetric rate expressed in dollars and cents or as a percent of the maximum tariff rate. Once the choice is made, by the Releasing Customer the bids should comport with the choice. The rates specified by the Releasing Customer should include the tariff reservation rate and all the demand surcharges, as a total number or as stated separately. The Releasing Customer must state any rate equal to the number of decimal places in the stated rates per Pipeline's Rate Schedule;

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Superseding: Original Sheet No. 146

GENERAL TERMS AND CONDITIONS (Continued)

(viii) Whether the Releasing Customer is willing to consider release for a shorter time period, and the time period that will be considered;

- (ix) Whether the Releasing Customer is willing to consider releasing capacity at a rate lower than the maximum rate for the applicable service;
- (x) Whether the Releasing Customer wants Pipeline to market its released capacity;
- (xi) The criteria which Pipeline should apply in determining the "best bid" and any tie-breaker to be applied in the event of equal bids. Said criteria must be objectively stated and non-discriminatory; and
- (xii) The length of the bidding period desired. The Releasing Customer will not be able to specify an extension of the original bidding period or the prearranged deal match period without posting a new release.

A Releasing Customer may withdraw its Notice of Released Capacity any time prior to the close of the Bidding Period associated with such notice, where unanticipated circumstances have occurred and provided that no minimum bid pursuant to Section 25.3(x) has been received. The Releasing Customer's notice will be legally binding on the Releasing Customer until written or electronic notice of withdrawal is received by Pipeline.

25.5 Notice of Prearranged Release

If the Releasing Customer has a Prearranged Replacement Customer for the released capacity, it must include in the notice required in Section 25.4 the existence of a Prearranged Replacement Customer, the terms of the prearranged deal and whether the Prearranged Replacement Customer is an affiliate of the Releasing Customer. If the prearranged release is for a term of thirty-one (31) days or less, the information required under Section 25.4 (viii)-(xii) may be omitted.

FERC Docket: RP97-105-001

Original Sheet No. 146A Original Sheet No. 146A: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

25.6 Posting

- a. Posting of Releases Subject to Bidding. The Pipeline will post a complete notice of released capacity on its electronic communications system and where applicable EDI upon receipt, unless otherwise specified by the Releasing Customer. If the Releasing Customer requests a posting time, Pipeline will support such a request insofar as it comports with the standard timeline set forth in Sections 25.6(a)(i), 25.6(a)(ii) and 25.8(b). The following posting conditions will apply:
 - (i) Notice of capacity available for release for less than five (5) months will be posted no later than 1:00 p.m. CCT on the day before nominations are due for the effective begin date of the release of capacity;
 - (ii) Notice of capacity available for release for five (5) months or more will be posted no later than 1:00 p.m. CCT four (4) business days before nominations are due for the effective begin date of the release of capacity;

The Releasing Customer's notice shall remain posted no later than 2:00 p.m. CCT on the day before nominations are due for the effective begin date of the release of capacity.

- b. Posting of Releases Not Subject to Bidding. A Releasing Customer may enter into a prearranged deal with a Replacement Customer of its choosing for the release of its capacity. A Releasing Customer that has entered into a prearranged deal must provide notice to the Pipeline in accordance with Section 22.4 and 22.5. The notice will be posted by the Pipeline and confirmed by the Replacement Customer by 9:00 a.m. CCT on the day nominations are due via electronic communications system and where applicable EDI. A prearranged deal for Capacity Release will be exempt from competitive bidding if the proposed release meets the following conditions:
 - (i) Short Term Release -- competitive bidding is not required if the term of the proposed prearranged

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First Revised Sheet No. 147 First Revised Sheet No. 147: Superseded

Superseding: Original Sheet No. 147

GENERAL TERMS AND CONDITIONS (Continued)

release is thirty-one (31) days or less, provided, however, that if such Releasing Customer has previously released capacity to the Replacement Customer under a prearranged deal within twenty-eight (28) days prior to the commencement date of the proposed prearranged release, then the proposed prearranged release will be subject to the competitive bidding requirements of this section.

(ii) Maximum Rate Release -- competitive bidding is not required for a prearranged release if the Replacement Customer agrees to pay the Pipeline's maximum tariff rate applicable to the service type being released for the entire term of the release.

All prearranged deals longer than thirty-one (31) days for Capacity Release at less than maximum rate are subject to the bidding procedures of Section 25.7 and the right of first refusal set forth in Section 25.9.

25.7 Bidding Process.

- a. The length of the bidding period for released capacity shall be as specified in the notice provided to the Pipeline by the Releasing Customer. All bids must be submitted during the bidding period through the electronic communications system or via EDI. Bids which are incomplete or are submitted in some different form or after the bidding period will not be eligible to receive the released capacity. Each bid for released capacity must contain the following information:
 - (i) Bidder's legal name, address, and the name and title of the individual responsible for authorizing the bid;
 - (ii) The term of the proposed acquisition;
 - (iii) The maximum rate(s) Bidder is willing to pay for the capacity;
 - (iv) The quantity desired;
 - (v) Whether or not the Bidder is an affiliate of the Releasing Customer or of Pipeline; and
 - (vi) Any other information requested by the Releasing Customer in its notice of release.

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First Revised Sheet No. 148 First Revised Sheet No. 148: Superseded

Superseding: Original Sheet No. 148

GENERAL TERMS AND CONDITIONS (Continued)

b. A bid may be withdrawn after it is received by the Pipeline in writing or on the Pipeline's electronic communication system at any time up to the last day of the bidding period, however no bid can be withdrawn after the bidding period. Any bid received by the Pipeline during the bidding period shall be legally binding on the Bidder unless withdrawn by the Bidder. Once a Bidder withdraws a bid, it cannot submit a subsequent bid for the same released capacity unless the subsequent bid is for an equal or higher rate than the original bid. To be considered, a bid must satisfy the minimum terms imposed by the Releasing Customer.

25.8 Awarding of Released Capacity

- a. Released capacity shall be made available on a nondiscriminatory basis in accordance with the procedures described herein. Pipeline will evaluate all bids received between 2:00 p.m. CCT and 3:00 p.m. CCT on the day the bidding period ends, and select the bid which will receive the released capacity. Initially, Pipeline will eliminate from consideration those bids which do not meet the minimum conditions established by the Releasing Customer and those bids which have not complied with Pipeline's own creditworthiness criteria. If the Releasing Customer has provided criteria for determining the "best bid", Pipeline will apply those criteria to determine which bid receives the capacity. The Pipeline is only required to meet the capacity release timeline for processing capacity reallocation if the Releasing Customer's "best bid" is defined as that bid which generates (1) the highest value, (2) the maximum net revenue, or (3) the highest present value. If multiple bids have been submitted meeting minimum conditions, Pipeline shall award the bids, best bid first, until all offered capacity is awarded. If no evaluation criteria have been provided by the Releasing Customer, Pipeline will award the released capacity based on the application of the following criteria:
 - (i) If there is only one valid bid, Pipeline will award the released capacity to that Bidder;
 - (ii) If more than one valid bid is received, Pipeline will award the released capacity to the Bidder offering the maximum applicable rate for the maximum

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Original Sheet No. 148A Original Sheet No. 148A: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

term specified by the Releasing Customer;

- (iii) If more than one valid bid is received and none offers the maximum applicable rate for the maximum term, Pipeline will award the capacity to the bid offering the maximum revenue over the minimum term of the release;
- (iv) If two or more equal bids are received, Pipeline will award the capacity on the basis of the tiebreaker criteria provided by the releasing customer. If no tie-breaker criteria are provided by the Releasing Customer, then capacity will be awarded on the basis of a lottery. The lottery will be conducted by the Pipeline in a nondiscriminatory manner and capacity shall be awarded on the basis of an all or nothing draw.
- b. Posting of Awarded Capacity. The released capacity will be awarded and posted on the electronic communication system and EDI by 5:00 p.m. CCT on the day the bidding period ends. The notice of the award will contain the following information:
 - (i) Term of release;
 - (ii) Price(s) as bid;
 - (iii) Primary receipt and delivery points;
 - (iv) Quantity in dth;
 - (v) Whether the capacity is firm or firm recallable; and
 - (vi) The name of the Replacement Customer and whether the Replacement Customer is affiliated with the Releasing Customer.
- 25.9 Right of First Refusal

In the case of a prearranged bid, if the bid submitted by a subsequent Bidder exceeds the value of the bid submitted by the Prearranged Replacement Customer, the Prearranged Replacement Customer will be given the opportunity to match the terms of the subsequent bid. Pipeline will notify the

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Original Sheet No. 148B Original Sheet No. 148B : Superseded

GENERAL TERMS AND CONDITIONS (Continued)

Prearranged Replacement Customer by 3:00 p.m. CCT on the day the bidding period ends. The Prearranged Replacement Customer will then have until 4:00 p.m. CCT on the day the bidding ends to match the bid. The capacity will be awarded and posted by 5:00 p.m. CCT on the day the bidding period ends.

25.10 Recall of Released Capacity

Releasing Customer retaining the right to recall must notify the Pipeline and the Replacement Customer by 8:00 a.m. CCT on the day the nomination is due. There shall be no partial day recalls of capacity. The Pipeline will support the function of reputting by the Releasing Customer.

25.11 Capacity Not Released

The Releasing Customer shall retain all of the capacity that is not acquired by a Replacement Customer as the result of the bidding process or a prearranged deal.

FERC Docket: RP97-105-001

First Revised Sheet No. 149 First Revised Sheet No. 149: Superseded

Superseding: Original Sheet No. 149

GENERAL TERMS AND CONDITIONS (Continued)

25.12 Offers to Purchase Capacity

Any party interested in acquiring capacity through Pipeline's capacity release program may provide Pipeline with an offer to purchase capacity. Pipeline will post any such offer on its electronic communications system for the period requested by the offering party. Pipeline may recover a fee for such services as prescribed in Section 30.4 of this Tariff.

25.13 Execution of Agreements

Pipeline's acceptance of a bid shall constitute a binding agreement between Pipeline and the Releasing Customer under which the Releasing Customer releases the capacity described in the accepted bid and a binding agreement between Pipeline and the Replacement Customer under which the Replacement Customer acquires those rights of the Releasing Customer that are described in the accepted bid. Pipeline will provide the Replacement Customer with a service agreement for the capacity awarded by 10:00 a.m. CCT on the day nominations are due. The Replacement Customer will be required to execute and return to Pipeline a service agreement reflecting the terms of the released capacity. The executed service agreement must be returned to Pipeline within one (1) day after it is received or the agreement will terminate. Once the service agreement has been executed the terms of such agreement are not subject to amendment. At the election of Pipeline, the Releasing Customer shall promptly execute such further documents as may be necessary to evidence its release of capacity. Pipeline shall not be obligated to initiate service to the Replacement Customer until all documents necessary to effectuate the release are executed and returned to Pipeline.

FERC Docket: RP97-105-001

First Revised Sheet No. 150 First Revised Sheet No. 150 : Superseded

Superseding: Original Sheet No. 150

GENERAL TERMS AND CONDITIONS (Continued)

25.14 Obligations of Releasing Customer

The Releasing Customer shall continue to be responsible and liable for its obligations under the service agreement, unless said obligations are expressly waived by Pipeline. Without limitation, these obligations include the following:

- (i) The Releasing Customer shall continue to be liable for all demand or reservation and other non-usage related charges owing under its service agreement up to the maximum rate specified in the service agreement, including, but not limited to any demand or reservation surcharge assessed by Pipeline for the purpose of recovering Order No. 636 transition costs in accordance with Section 31 of this tariff.
- (ii) Except as provided in Section 25.3(v) pertaining to a permanent release, Pipeline shall have the right to seek performance directly from the Releasing Customer with respect to the obligations owed by it to Pipeline after Pipeline's attempt to seek performance from the Replacement Customer under any new service agreement.
- (iii) Each Releasing Customer agrees to protect and indemnify Pipeline against, and to release and hold harmless against, any loss, liability or expense (including, without limitation, court costs and attorneys' fees) incurred or suffered by Pipeline or such Releasing Customer arising out of or in connection with the provisions of this Section 25 except for losses, damages or expenses caused solely by Pipeline's own negligence or willful misconduct.
- (iv) Pipeline shall credit the invoice of the Releasing Customer(or secondary Releasing Customer, if applicable) an amount each month equal to the reservation charges or other such costs attributable to the capacity rights released by the Releasing Customer; provided however, Pipeline shall have the right to reverse such credit in the next monthly invoice if the Replacement Customer that acquires Releasing Customer's capacity fails to pay such amounts invoiced to it on a timely basis in accordance with Pipeline's payment provision set forth in Section 7.

FERC Docket: RP97-105-001

First Revised Sheet No. 151 First Revised Sheet No. 151: Superseded

Superseding: Original Sheet No. 151

GENERAL TERMS AND CONDITIONS (Continued)

25.15 Obligations of Replacement Customer

By executing a service agreement for released capacity, the Replacement Customer agrees that it will comply with the terms and conditions of Pipeline's certificate of public convenience and necessity authorizing this capacity release program and the terms and conditions of Pipeline's FERC Gas Tariff.

- (i) The Replacement Customer agrees to indemnify Pipeline against and to release and hold Pipeline harmless against any loss, liability or expense (including, without limitation, court costs and attorneys fees) incurred or suffered by Pipeline or the Replacement Customer arising out of or in connection with the provisions of this section, except for losses, damages or expenses caused solely by Pipeline's own negligence or willful misconduct.
- (ii) The Replacement Customer shall be liable for the portion of the demand or reservation charges specified in its service agreement, along with all commodity related charges applicable to its service utilization, and all applicable penalties. Pipeline will invoice the Replacement Customer on a monthly basis and the Replacement Customer shall make payment in accordance with Sections 6 and 7 of these General Terms and Conditions.

25.16 Marketing Fee

Pipeline will charge a marketing fee to be negotiated between Pipeline and the Releasing Customer where Pipeline successfully markets the released capacity on the Releasing Customer's behalf.

26. MARKET CENTERS

Nothing in Pipeline's FERC Gas Tariff shall operate to inhibit the development of market centers on Pipeline's system. Pipeline will permit market centers to develop at the points of interconnection between other pipelines or other LDC systems. Any aggregator of gas supply contracts on Pipeline's system must adhere to the nominations procedures and other terms and conditions of Pipeline's FERC Gas Tariff, and pay the fees and charges associated with their service as may be revised from time to time.

Original Sheet No. 152-159 Original Sheet No. 152-159 : Superseded

Sheet Nos. 152 through 159 have been "reserved for future use".

FERC Docket: RP96- 99-000

First Revised Sheet No. 160 First Revised Sheet No. 160 : Superseded

Superseding: Original Sheet No. 160

GENERAL TERMS AND CONDITIONS (Continued)

27. CONSTRUCTION OF LATERALS

Pipeline will not build or contribute to the construction cost of building any laterals for transportation service. The term "lateral" as used herein is intended to cover any pipeline extension other than a mainline extension built from an existing pipeline facility to deliver gas to one or more customers, including new delivery points and enlargements or replacements of existing laterals. Pipeline reserves the right to seek a waiver of the policy set forth herein for good cause shown.

28. DISCOUNTING

Pipeline may elect at its discretion to discount the maximum rate(s) applicable to transportation service for any Customer subject to the limitation that such discounted rate(s) shall not be less than the minimum rate(s) for the applicable service as set forth in Pipeline's FERC Gas Tariff as may be changed from time to time. Any rate discount provided to any Customer shall be applied to the components of the rate in the following order: (1) GRI surcharge; and (2) base tariff rate(s) for the applicable service including retainage. If the discounted rate(s) charged to a Customer exceed the rate(s) approved by the Commission, any required refunds shall be based on the amount by which the rate actually collected exceeds the rate approved by the Commission.

Original Sheet No. 161 original Sheet No. 161: Superseded

(Reserved for future use.)

Effective Date: 02/01/1996 Status: Effective FERC Docket: RP96- 99-000

First Revised Sheet No. 162 First Revised Sheet No. 162: Superseded Superseding: Original Sheet No. 162

(Reserved For Future Use)

FERC Docket: TM98-1-100-000

Fourth Revised Sheet No. 163 Fourth Revised Sheet No. 163: Superseded

Superseding: Third Revised Sheet No. 163

GENERAL TERMS AND CONDITIONS (Continued)

29. FEDERAL ENERGY REGULATORY COMMISSION ANNUAL CHARGE ADJUSTMENT PROVISION

29.1 Purpose

Section 3401 of the Omnibus Budget Reconciliation Act of 1986 provides that the Federal Energy Regulatory Commission (FERC) establish an annual charge for each fiscal year ending September 30, in an amount equal to costs incurred to operate the Federal Energy Regulatory Commission for the fiscal year.

For the purpose of funding of Federal Energy Regulatory Commission costs incurred in any fiscal year, this Section establishes as part of Pipeline's rates an Annual Charge Adjustment (ACA) Provision to be applicable to the Pipeline's Rate Schedules ITS and FTS. The Pipeline does not intend to recover any annual charges recorded in FERC Account No. 928 in a Natural Gas Act Section 4 rate case.

29.2 Basis of the Annual Charge Adjustment

The Rate Schedules ITS and FTS specified in Section 29.1 hereof shall include an increment for an Annual Charge Adjustment (ACA) for Federal Energy Regulatory Commission costs. The unit rate of such charge shall be that amount, adjusted to the Pipeline's pressure base and heating value, if required, which has been specified by the Federal Energy Regulatory Commission each year. The current effective Annual Charge Adjustment is set forth on Sheet No. 4.

29.3 Filing Procedures

The Annual Charge Adjustment Provision may be placed into effect upon not less than 30 days notice unless, for good cause shown, a lesser notice period is allowed by valid Commission order.

FERC Docket: RP97-105-004

Second Revised Sheet No. 164 second Revised Sheet No. 164 : Superseded

Superseding: First Revised Sheet No. 164

GENERAL TERMS AND CONDITIONS (Continued)

30. ELECTRONIC COMMUNICATIONS SYSTEM

30.1 AVATLABILITY

The electronic communications system is available on a nondiscriminatory basis to any party which (1) has compatible equipment for the electronic transmission of data, (2) elects to pay the required subscription fee, if any, and (3) agrees to abide by the established procedures for access and use of the system. Pipeline will provide equal and timely access to any information posted on the Pipeline's electronic communications system. The electronic communications system may be accessed by the Customers using either the HTML page(s) accessible via the Internet's World Wide Web or the Pipeline's Electronic Bullentin Board System. Electronic communications may also be transmitted, where applicable, using server to server electronic data interchange communications (EDI), which will be available on a nondiscriminatory basis to any party, provided such party has entered into a trading partner agreement with the Pipeline.

30.2 System Description

The electronic communications system offers interactive services including an on-line help function, a search function that permits users to locate all information concerning a specific transaction and menus which are organized by subject matter and contain chronologically organized information. The system permits users to electronically download data from the communications system to their own equipment. Pipeline will maintain daily backup records of the information displayed on the electronic communications system and through EDI to be archived for two years, and will permit users to review these records on request or obtain the archived material in an electronic format for a fee reflecting Pipeline's cost of providing the data. Requests for archived material can be placed through the electronic communications system and via EDI. Pipeline will periodically purge transactions from system files after transactions are completed.

30.3 System Capabilities

Upon subscribing to the Pipeline's electronic communications system, a user will have the capability to utilize the system for the following purposes:

- (i) Submit requests for service under Pipeline's transportation rate schedules;
- (ii) Execute and amend service agreements and review all contracts with Replacement Customers offering the best bid;

FERC Docket: RP97-105-004

Second Revised Sheet No. 165 Second Revised Sheet No. 165: Superseded Superseding: First Revised Sheet No. 165

- GENERAL TERMS AND CONDITIONS (Continued)

 iii) Tender nominations relating to existing service entitlements;
- (iv) Review scheduled quantities at the end of each day including intra-day nominations and any other scheduling changes for each Customer;
- (v) Review the availability of capacity at mainline receipt and delivery points on Pipeline, including the availability of capacity for service under any of Pipeline's rate schedules, whether the capacity is available from Pipeline directly, through the capacity release program, or upon termination of a long-term agreement is also available via EDI;
- (vi) To allow Releasing Customers to directly post offers and Bidders to directly post bids for released capacity, or review bids submitted by other parties; all bids for released capacity or requests for Pipeline capacity will be recorded by date and time of day of receipt, but capacity will be awarded based on the earliest executed service agreement is also available via EDI;
- (vii) Submit a bid for available capacity under expiring long term contracts, or review bids submitted by other parties is also available via EDI;
- - (ix) Review Pipeline's FERC Gas Tariff, including current rates for all rate schedules;
 - (x) Index of Customers;
 - (xi) Other information on transactions with affiliates as required by the Commission's Order 467 and 566 such as an affiliate allocation log, 24 hr. discount postings, etc.;
- (xii) Review a compilation of total capacity on Pipeline, the availability of capacity on both a firm and interruptible basis, and review primary capacity entitlements at each delivery point on the Pipeline's system;
- (xiv) Receive information concerning the issuance, operation and termination of any OFO as provided in Section 16; and
- (xv) Critical notices are defined to pertain to information on the Pipeline's conditions that affect scheduling or adversely affect scheduled gas flow. Critical system-wide notices will be in a separate category from notices that are not critical and information prescribed by various provisions of this Tariff. This information will also be available via EDI.

FERC Docket: RP97-105-001

First Revised Sheet No. 166 First Revised Sheet No. 166: Superseded

Superseding: Original Sheet No. 166

GENERAL TERMS AND CONDITIONS (Continued)

30.4 Charges

Pipeline reserves the right to recover through a separate Section 4(e) rate filing any and all fixed costs associated with the implementation of its electronic communications system. Pipeline reserves the right to file for the implementation of a separately stated usage fee to cover the variable costs of usage from those persons using the electronic communications system.

30.5 Confidentiality

Any authorized user of the electronic communications system may make copies, in electronic or other form, of the information contained on the system. No employee or agent of Pipeline will disclose to any third party any information concerning research performed through the use of the electronic communications system.

31. RECOVERY OF TRANSITION COSTS

31.1 Purpose

This section sets forth the mechanisms for recovery by Pipeline of the various types of transition costs identified for pipeline recovery under Part 284 of the Commission's Regulations.

31.2 Costs to be Recovered

(a) New Facilities Costs

New facilities costs are those costs incurred by Pipeline in expanding and upgrading its facilities in order to meet the operational and service requirements of Order No. 636. Pipeline shall be entitled to file a general Section 4 filing under the Natural Gas Act to collect 100% of its new facilities costs after the effective date of this Section.

Original Sheet No. 167 Original Sheet No. 167: Superseded

(Reserved for future use.)

FERC Docket: CP93-568-002

Original Sheet No. 168 Original Sheet No. 168: Superseded

GENERAL TERMS AND CONDITIONS (Continued)

32. ORDER NO. 497 COMPLIANCE PROCEDURES

32.1 General Application

All terms and conditions contained in this tariff shall be applied in a uniform and non-discriminatory manner without regard to the affiliation of any entity to Pipeline. Furthermore, no preference is afforded to any affiliate of Pipeline for transportation services which Pipeline provides.

- 32.2 Shared Facilities and Employees With Affiliated Marketing and Brokering Companies
 - (a) Personnel shared by Pipeline and Equitable Resources Marketing Company (ERMC) or Kentucky West Virginia Gas Marketing Services Company are as follows:

None

(b) Facilities shared by Pipeline with ERMC or Kentucky West Virginia Gas Marketing Services Company are as follows:

None

33. PROCEDURE FOR ADDRESSING TRANSPORTATION COMPLAINTS

Any Customer or potential Customer that has requested transportation or gathering service pursuant to Section 11 of Pipeline's General Terms and Conditions and has not been granted such service or is dissatisfied with such service shall notify Pipeline's General Counsel, 3500 Park Lane, Pittsburgh, PA 15275, in writing, of any complaint it has concerning the denial, or performance, of such service. The complaint may be made orally or in writing, and Pipeline shall respond initially to the complaint within 48 hours by telephone. Within five (5) business days of receiving such complaint, Pipeline shall provide a written response to the Customer or potential Customer explaining the basis for the action complained of and detailing what additional steps, if any, will be taken by Pipeline concerning the complaint. If the response is not satisfactory to the Customer, or potential Customer, Pipeline shall, upon request, arrange for an informal meeting of representatives of the two companies to attempt to resolve any outstanding differences.

FERC Docket: RP97-105-001

First Revised Sheet No. 169 First Revised Sheet No. 169: Superseded

Superseding: Original Sheet No. 169

GENERAL TERMS AND CONDITIONS (Continued)

34. PRE-EXISTING CONTRACTS

Any contract between Pipeline and Customer which was executed prior to and was in effect on September 3, 1993 shall be continued in effect until such contract is replaced by an executed Service Agreement in the form contained in this Tariff.

- 35. DETERMINATION OF DELIVERIES AND IMBALANCES
 - 35.1 Determination of Deliveries. Pipeline will attempt to determine the actual imbalance ascribable to each service agreement to the greatest extent possible. As minimum, allocations shall be provided by both contract and location. Delivery point allocations shall be performed at the lowest level of detail provided by nominations. If gas delivered by Pipeline into the facilities of any Customer is applicable to more than one service agreement and Pipeline cannot ascribe the actual imbalance to each individual service agreement, Pipeline will attribute the total quantities of gas delivered to any Customer to each service in the following sequence as applicable:
 - (i) The quantity of gas scheduled for delivery by the Customer under the Customer's no-notice service agreement;
 - (ii) The quantity of gas scheduled for delivery by the Customer under the Customer's other firm service agreements;
 - (iii) The quantity of gas scheduled for delivery under the Customer's interruptible service agreements.
 - 35.2 Customer's Responsibility. It is the responsibility of the Customer to provide accurate and timely nominations of quantities proposed to be received and delivered by Pipeline under each of the Customer's service agreements; to maintain equality between quantities actually taken by the Customer and the Customer's scheduled quantities under each service agreement, and to maintain a concurrent balance between receipts and deliveries under each service agreement.
 - 35.3 Resolution of Imbalances. If a Customer incurs either an overage or an underage in takes from Pipeline due to a failure to deliver to Pipeline or receive from Pipeline the quantity of

FERC Docket: RP97-105-001

First Revised Sheet No. 170 First Revised Sheet No. 170: Superseded

Superseding: Original Sheet No. 170

GENERAL TERMS AND CONDITIONS (Continued)

gas which it is required to receive or deliver, penalties may be applied as described in this section. If a Customer has more than one service agreement with Pipeline and it is not otherwise determinable under which service agreement the imbalance occurred, all imbalances will be applied to the service agreement which is last in the determination of deliveries under Section 35.1.

a. Monthly Imbalances

Operating conditions may, from time to time, cause a temporary and unintentional imbalance between the total dth of natural gas that Pipeline receives under the executed Service Agreement and the quantities of natural gas that Pipeline delivers under the executed Service Agreement. The Pipeline and the Customer shall cooperate to eliminate any such imbalances. As soon as practicable the Pipeline shall notify the Customer of such imbalance and the necessity to take corrective action within the next 48 hours. If necessary to protect the integrity of its system, Pipeline may require the Customer to take corrective action within less than 48 hours. In the event the Customer fails to take corrective action within 45 days from the end of the 48 hour notification period, the Customer shall be subject to the following monthly imbalance charge provisions:

- 1. Overdelivery Penalty: Pipeline will notify Customer by the ninth business day following the close of each month in which Customer delivered or caused to be delivered more than 104% of the quantity of gas than was taken from Pipeline on Customer's behalf. In the event Customer fails to take or cause to be taken within 45 days of notification a quantity of gas sufficient to balance deliveries to Pipeline with the quantities taken from Pipeline, an imbalance penalty shall be imposed. The imbalance penalty shall be the retention by the Pipeline at no cost and free and clear of any adverse claims of any remaining net balance of overdeliveries in excess of 104% existing at the end of said 45 day period.
- 2. Underdelivery Penalty: Pipeline will notify Customer by the ninth business day following the close of each month in which Customer took or caused to be taken from Pipeline

FERC Docket: RP97-105-005

Second Revised Sheet No. 171 Second Revised Sheet No. 171: Superseded

Superseding: First Revised Sheet No. 171

GENERAL TERMS AND CONDITIONS (Continued)

quantities which exceed by more than four percent (4%) the quantities received by Pipeline pursuant to the provisions of Section 13 of the General Terms and Conditions of this FERC Gas Tariff. In the event Customer fails to deliver or cause to be delivered within 45 days of notification a quantity of gas sufficient to balance deliveries to Pipeline with the quantity taken from Pipeline, an imbalance penalty shall be imposed of \$10/dth multiplied by the remaining net balance of underdeliveries in excess of four percent which exists at the end of the 45 day period.

It is Pipeline's intention to operate without having to impose imbalance penalties. Therefore, Pipeline will waive imbalance penalties so long as the Customer is making reasonable effort to balance receipts and deliveries and has attempted to work with Pipeline to alleviate the imbalances. No imbalance penalty will be assessed when a prior period adjustment applied to the current period causes or increases a current month penalty.

b. Disposition of Penalties or Cash Out Amounts

Any net penalty revenue received under (a)(1) and (2) from affiliated companies of Pipeline will be credited on a prospective basis to firm Customers in proportion to their contract quantity. Any net cash out revenue will be credited to Customers in the form of a negative surcharge on firm and interruptible service rates.

36. EXIT FEES

- 36.1 Upon the effective date of this Tariff, any Customer that desires to reduce or terminate any capacity entitlement it holds on Pipeline's system may do so upon payment of an exit fee. Pipeline will permit the negotiation of an exit fee in the event no other party equals or betters the current Customer's rate or no bids are made and the current Customer wants to be released from the capacity prior to the end of its service agreement. However, if another party bids for the capacity at a rate equal to or higher than the current Customer's rate, up to the maximum rate, Pipeline will release the current Customer if it does not wish to retain the capacity.
- 36.2 For any exit fee payable under this Section 36, Pipeline shall issue an invoice for the amount of the negotiated exit fee.

 The entire amount of the invoice shall be payable ten (10) days after receipt of the invoice and interest shall accrue

FERC Docket: RP98-272-000

Second Revised Sheet No. 172 Second Revised Sheet No. 172: Superseded

Superseding: First Revised Sheet No. 172

GENERAL TERMS AND CONDITIONS (Continued)

on all amounts not paid when such amounts become payable, at the rate computed using the factors specified in Section 157.67 of the Commission's regulations, until such time as the full amount has been paid. Any Customer liable for the payment of an exit fee under this Section 36 may elect to pay the exit fee amortized over a period of up to twenty four months by making monthly payments, each of which shall be equal to a corresponding fraction of the amount of the exit fee. Carrying charges shall accrue on all unpaid amounts at the rate computed using the factors specified in Section 157.67 of the Commission's regulations. Any Customer electing to amortize payments must make such election within five days of receipt of the invoice and must specify the desired amortization period. In the event of an election to amortize the exit fee, any Customer may, at any time prior to the end of the amortization period, pay the entire amount of its unpaid balance to Pipeline with no further obligation for carrying charges.

37. COMPANY USE AND UNACCOUNTED FOR GAS
Each Customer will provide to Pipeline, for Pipeline's company use and unaccounted for purposes, such quantities of natural gas represented by the difference between (a) the volumes received by Pipeline at the receipt points identified in the executed Service Agreement(s) and (b) the volumes redelivered by Pipeline at the redelivery point identified in the executed Service Agreement(s). In the event more than one Customer delivers gas to Pipeline, then Pipeline will calculate a ratio of the total dekatherms of gas received from each Customer, and will apply that ratio to compute the dekatherms redelivered to each Customer.

FERC Docket: RP99-362-000

Fourth Revised Sheet No. 173 Fourth Revised Sheet No. 173: Superseded Superseding: Substitute Third Revised Sheet No. 173

GENERAL TERMS AND CONDITIONS (Continued)

38. GAS INDUSTRY STANDARDS BOARD ("GISB")

Pipeline shall comply with the business practices and electronic communication standards incorporated by reference in Section 284.10(b) of the Commission's Regulations (18 CFR Section 284.10), as amended from time to time. In addition to the standards which are reflected in other provisions of this Tariff, the following GISB standards, definitions and data sets are hereby incorporated by reference:

Version 1.2 - 1.2.1, 1.2.2, 1.2.3, 1.2.5, 1.3.15, 1.3.17, 1.3.18, 1.3.23, 1.3.25, 1.3.27, 1.3.28, 1.3.30, 1.3.31, 1.3.34, 2.2.1, 2.3.1, 2.3.3 2.3.5, 2.3.8, 2.3.12, 2.3.13, 2.3.15, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.25, 2.3.27, 3.3.1, 3.3.2, 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.16, 3.3.20, 3.3.21, 4.3.1, 4.3.2, 4.3.3, 4.3.5, 4.3.7, 4.3.8, 4.3.9, 4.3.10, 4.3.11, 4.3.12, 4.3.13, 4.3.14, 4.3.15, 4.3.16, 5.3.5, 5.3.9, 5.3.10, 5.3.22, 5.3.23, 5.3.30, 5.4.10, 5.4.11, 5.4.12, 5.4.13, 5.4.14, 5.4.15, 7.3.1, 7.3.2, 7.3.3, 7.3.4, 7.3.5, 7.3.6, 7.3.7, 7.3.8, 7.3.9, 7.3.10, 7.3.11, 7.3.12, 7.3.13, 7.3.14, 7.3.15, 7.3.16, 7.3.17, 7.3.18.

Version 1.3 - 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.3.2(v)&(vi), 1.3.3, 1.3.14, 1.3.20, 1.3.22, 1.3.24, 1.3.27, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7, 2.3.9, 2.3.20, 2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 3.3.22, 3.4.1, 3.4.2, 3.4.3, 3.4.4, 4.1.16, 4.1.17, 4.1.18, 4.1.19, 4.1.20, 4.1.21, 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.3.16, 4.3.17, 4.3.18, 4.3.19, 4.3.20, 4.3.21, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.29, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 5.4.1, 5.4.2, 5.4.3, 5.4.4, 5.4.5, 5.4.6, 5.4.7, 5.4.8, 5.4.9, 5.4.11, 5.4.12, 5.4.13, 5.4.16, 5.4.17.

Effective Date: 11/01/1997 Status: Effective FERC Docket: RP97-105-005

Sheets Nos. 174-219 Sheets Nos. 174-219 : Superseded

Sheet Nos. 174 through 219 are Reserved for Future Use

thereafter.

Original Sheet No. 220 <code>Original Sheet No. 220 : Superseded</code>

FORM OF SERVICE AGREEMENT FOR FTS RATE SCHEDULE

This Agreement, made and entered into this day of, 19, by and between NORA TRANSMISSION COMPANY, a Virginia corporation, (hereinafter referred to as "Pipeline") and
whether one or more), (hereinafter referred to as "Customer",
whether one or more,
WITNESSETH:
WHEREAS, Pipeline is willing to provide and Customer is willing to purchase transportation service subject to the terms and conditions contained in Pipeline's FERC Gas Tariff and as hereinafter set forth.
NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties do covenant and agree as follows:
ARTICLE I. SCOPE OF AGREEMENT
Subject to the terms, conditions and limitations hereof and of Pipeline's Rate Schedule FTS, Pipeline agrees to receive at the points of receipt specified herein from or for the account of Customer for transportation of natural gas within the following quantity:
Maximum Daily Contract Quantity ("MDCQ") dth. Maximum Annual Contract Quantity dth.
Pipeline agrees to delivery to or for the account of Customer and Customer agrees to accept or cause acceptance of delivery of an equivalent quantity less retainage, on a heating value basis, at the points of delivery specified herein. Pipeline shall have the right to issue an operational flow order directly to any supplier, operator, transporter or owner of Customer's gas. *(By executing this Service Agreement, Customer is agreeing to designate Pipeline as its agent under Section 16.2 of Pipeline's Tariff to act as necessary under any operational flow order.) *(to be added only if Customer desires Pipeline to act as its agent)
ARTICLE II. TERM OF AGREEMENT
This Agreement shall become effective on, and shall continue in full force and effect until and from year to year thereafter unless and until terminated by either Pipeline or Customer upon twelve (12) months prior written notice to the other specifying a termination date on, or at the end of any yearly period

FERC Docket: RP96- 99-000

First Revised Sheet No. 221 First Revised Sheet No. 221: Superseded

Superseding: Original Sheet No. 221

FORM OF SERVICE AGREEMENT

FOR FTS RATE SCHEDULE (Continued)

ARTICLE III. RATE SCHEDULE

Customer shall pay Pipeline for all service rendered hereunder at rate specified under Pipeline's Rate Schedule FTS in the Currently Effective Rates, Sheet No. 4, of Pipeline's Tariff as filed with the FERC and as the same may be hereafter revised, changed or discounted.

Pipeline shall have the right from time to time, by the filing of a revised rate schedule, to increase or decrease rates, to change the form of the applicable rate schedule and to take such other further action with respect thereto without further consent by Customer and such changes in rates and other changes shall become the Rate Schedule and Terms and Conditions under which the gas shall be transported hereunder. Customer shall have the right to oppose any of the foregoing and to request reduction in rates to the extent that Customer is legally permitted to do so under the Natural Gas Act.

This Agreement in all respects shall be and remain subject to the applicable provisions of the said rate schedule and of the General Terms and Conditions of Pipeline's Tariff on file with the FERC, all of which are by this reference made a part hereof.

ARTICLE IV. POINTS OF RECEIPT AND DELIVERY

Natural gas to be received by Pipeline from or for the account of Customer for transportation hereunder shall be received at the inlet side of the measuring station(s) at or near the following designated points of receipt and natural gas to be delivered by Pipeline to or for the account of Customer hereunder shall be delivered at the outlet side of the measuring station(s) at or near the following designated points of delivery, with the maximum daily receipt and delivery obligations and delivery pressure indicated for each of such points of receipt and points of delivery:

Points of Receipt	Pipeline's Maximum Daily Receipt Obligation (dth)	Customer's Delivery Pressure
		Sufficient to enter Pipeline's system, but not in excess of Pipeline's maximum allowable operating pressure of psig.
Points of Delivery	Pipeline's Maximum Daily Delivery Obligation (dth)	Pipeline's Delivery Pressure
		Such pressure as may exist on Pipeline's system, but not in excess of Pipeline's maximum allowable operating pressure ofpsig.

FERC Docket: CP93-568-002

Original Sheet No. 222 Original Sheet No. 222: Superseded

FORM OF SERVICE AGREEMENT FOR FTS RATE SCHEDULE (Continued)

ARTICLE V. NOTICES

Notices to either party shall be sent by United States mail or Western Union telegram addressed as follows:

(a) Nora Transmission Company 3500 Park Lane Pittsburgh, PA 15275 Attn: Transportation Dept.

(b)

Either party may change its address under this Article by written notice to the other party. $% \left(1\right) =\left(1\right) +\left(1\right$

ARTICLE VI. CONTROLLING LAW

The interpretation and performance of any service agreement under this rate schedule shall be in accordance with the laws of the Commonwealth of Virginia, without recourse to the principles of conflict of laws.

ARTICLE VII. SUCCESSORS AND ASSIGNS

Either Pipeline or Customer may assign or otherwise transfer its interest in this Agreement to its corporate parent, affiliate, or subsidiary or to any person or corporation which shall succeed by purchase, merger, consolidation or otherwise, to the properties of Customer or Pipeline substantially as an entirety. Otherwise, neither party may assign this Agreement nor any of its obligations hereunder unless it shall first have obtained the consent thereto of the other party.

ARTICLE VIII. CANCELLATION OF PRIOR CONTRACTS

This Agreement supersedes and cancels, as of the effective date of this Agreement, prior contract(s) between the parties hereto for the transportation of the gas that is the subject of this Agreement.

FERC Docket: CP93-568-002

Original Sheet No. 223 Original Sheet No. 223 : Superseded

FORM OF SERVICE AGREEMENT FOR FTS RATE SCHEDULE (Continued)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Presidents or Vice Presidents thereto duly authorized and their respective corporate seals to be hereto affixed and attested by their respective Secretaries or Assistant Secretaries, the day and year first above written.

ATTEST:	NORA TRANSMISSION COMPANY
	Ву
ATTEST:	
	By

Original Sheet No. 224-229 Original Sheet No. 224-229 : Superseded

Sheet Nos. 224 through 229 have been "reserved for future use".

FERC Docket: CP93-568-002

Original Sheet No. 230 Original Sheet No. 230: Superseded

FORM OF SERVICE AGREEMENT FOR ITS RATE SCHEDULE

This Agreement, made and entered into this _____ day of _____, 19____, by and between NORA TRANSMISSION COMPANY, a Virginia corporation, (hereinafter referred to as "Pipeline"), and ______, (hereinafter referred to as "Customer", whether one or more),

WITNESSETH:

WHEREAS, Pipeline is willing to provide and Customer is willing to purchase transportation service subject to the terms and conditions contained in Pipeline's FERC Gas Tariff and as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties do covenant and agree as follows:

ARTICLE I. SCOPE OF AGREEMENT

Subject to the terms, conditions and limitations hereof and of Pipeline's Rate Schedule ITS, Pipeline agrees to receive at the points of receipt specified herein from or for the account of Customer for transportation of natural gas within the following quantity:

Maximum	Daily (Contract	Quantity	("MDCQ")	dth
Maximum	Annual	Contract	Ouantity		dth

Pipeline agrees to deliver to or for the account of Customer and Customer agrees to accept or cause acceptance of delivery of an equivalent quantity less retainage, on a heating value basis, at the points of delivery specified herein. Pipeline shall have the right to issue an operational flow order directly to any supplier, operator, transporter or owner of Customer's gas. *(By executing this Service Agreement, Customer is agreeing to designate Pipeline as its agent under Section 16.2 of Pipeline's Tariff to act as necessary under any operational flow order.) *(to be added only if Customer desires Pipeline to act as its agent)

ARTICLE II. TERM OF AGREEMENT

This Agreement shall become effective on $_$, and shall continue on a month-to-month basis until terminated by either party upon written notice; provided, however, this agreement shall automatically terminate upon the date Pipeline abandons any pipeline mainline facility necessary to the transportation service rendered hereunder.

FERC Docket: RP96- 99-000

First Revised Sheet No. 231 First Revised Sheet No. 231: Superseded

Superseding: Original Sheet No. 231

FORM OF SERVICE AGREEMENT FOR ITS RATE SCHEDULE (Continued)

ARTICLE III. RATE SCHEDULE

Customer shall pay Pipeline for all service rendered hereunder at the _____ rate specified under Pipeline's Rate Schedule ITS in the Currently Effective Rates, Sheet No. 4, of Pipeline's Tariff as filed with the FERC and as the same may be hereafter revised, changed or discounted.

Pipeline shall have the right from time to time, by the filing of a revised rate schedule, to increase or decrease rates, to change the form of the applicable rate schedule and to take such other further action with respect thereto without further consent by Customer, and such changes in rates and other changes shall become the Rate Schedule and Terms and Conditions under which the gas shall be transported hereunder. Customer shall have the right to oppose any of the foregoing and to request reduction in rates to the extent that Customer is legally permitted to do so under the Natural Gas Act.

This Agreement in all respects shall be and remain subject to the applicable provisions of the said rate schedule and of the General Terms and Conditions of Pipeline's Tariff on file with the FERC, all of which are by this reference made a part hereof.

ARTICLE IV. POINTS OF RECEIPT AND DELIVERY

Natural gas to be received by Pipeline from or for the account of Customer for transportation hereunder shall be received at the inlet side of the measuring station(s) at or near the following designated points of receipt and natural gas to be delivered by Pipeline to or for the account of Customer hereunder shall be delivered at the outlet side of the measuring station(s) at or near the following designated points of delivery, with the maximum daily receipt and delivery obligations and delivery pressure indicated for each of such points of receipt and points of delivery.

Points of Receipt	Pipeline's Maximum Daily Receipt Obligation (dth)	Customer's Delivery Pressure
		Sufficient to enter Pipeline's system, but not in excess of Pipeline's minimum allowable operating pressure of psig.
Points of Delivery	Pipeline's Maximum Daily Delivery Obligation (dth)	Pipeline's Delivery Pressure
		Such pressure as may exist on Pipeline's system, but not in excess of Customer's maximum allowable operating pressure of psig.

FERC Docket: CP93-568-002

Original Sheet No. 232 Original Sheet No. 232: Superseded

FORM OF SERVICE AGREEMENT FOR ITS RATE SCHEDULE (Continued)

ARTICLE V. NOTICES

Notices to either party shall be sent by United States mail or Western Union telegram addressed as follows:

(a) Nora Transmission Company 3500 Park Lane Pittsburgh, PA 15275 Attn: Transportation Dept.

(b)

Either party may change its address under this Article by written notice to the other party. $% \left(1\right) =\left(1\right) +\left(1\right$

ARTICLE VI. CONTROLLING LAW

ΔΥΥΕΩΥ.

The interpretation and performance of any service agreement under this rate schedule shall be in accordance with the laws of the Commonwealth of Virginia, without recourse to the principles of conflict of laws.

ARTICLE VII. CANCELLATION OF PRIOR CONTRACTS

This Agreement supersedes and cancels, as of the effective date of this Agreement, prior contract(s) between the parties hereto for the transportation of the gas that is the subject of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective Presidents or Vice Presidents thereto duly authorized and their respective corporate seals to be hereto affixed and attested by their respective Secretaries or Assistant Secretaries the day and year first above written.

111111111111111111111111111111111111111	Note: Hemonitobion Continui
	Ву
ATTEST:	
	Ву

NORA TRANSMISSION COMPANY

Original Sheet No. 233-259 Original Sheet No. 233-259 : Superseded

Sheet Nos. 233 through 259 have been "reserved for future use".

Original Sheet No. 260-299 Original Sheet No. 260-299 : Superseded

Sheet Nos. 260 through 299 have been "reserved for future use".

Effective Date: 04/01/1994 Status: Effective
FERC Docket: CP93-568-002

Original Sheet No. 300 original Sheet No. 300: Superseded

N.T. Request No. _____

NORA TRANSMISSION COMPANY
REQUEST FORM FOR
SERVICE UNDER
RATE SCHEDULES FTS AND ITS

I

Type of service requested: (check one)

Firm transportation service (FTS)

Interruptible transportation service (ITS)

a. ____ Intrastate d. ____ End-User g. ___ Broker

(b) Type of Legal Entity:

b. ____ LDC

State of Incorporation:

(c) Customer is: (Check one of the below)

c. ____ Hinshaw f. ____ Marketer

e. _____ Producer h. _____ Other ____

Original Sheet No. 301 original Sheet No. 301 : Superseded

Service Request Form (Continued)

Contact Person for Request:						
Mailing Address:						
Street Address:						
Phone:						
Telecopy No.:						
24-hour contact person for purpose from receipt and delivery points	ses of dispatching gas to and					
Phone:						
Telecopy No.:						
1. Is this person an employee of Customer? Yes No						
2. If no, state relationship to Customer						
Agreement information:						
Notices to:	Invoice to:					
(address)	(address)					
Attn:	 λ++n•					

FERC Docket: CP93-568-002

Original Sheet No. 302 Original Sheet No. 302: Superseded

Service Request Form (Continued)

(e)	Name	and	full	title	of	officer	(or	general	partner)	of	Customer	who	will
	execu	ite s	servic	e agre	eeme	ent with	Pipe	eline:					

(f) Maximum Daily Contract Quantity to be delivered by Pipeline (state in dth and Mcf):

Maximum estimated total quantity to be gathered and/or transported during term of service (state in dth and Mcf):

- (g) Points of Receipt (see attachment)
- (h) Points of Delivery (see attachment)
- (i) (1) Date Service is requested to commence:_____
 - (2) Date Service is requested to terminate:
- (j) If Customer is requesting service under the FTS Rate Schedule, this Service Request Form must be accompanied by a prepayment, not to exceed \$10,000, of the total Reservation Charge provided in Rate Schedule FTS contained in Pipeline's FERC Gas Tariff.
- (k) Customer must execute and submit the attached Customer's certification.

III

At the time of execution of the Service Agreement, Customer shall inform Pipeline of the state in which the ultimate consumer of the gas is located. If Equitable Resources Energy Company (EREC) is a supplier of gas to Customer, Customer agrees to cause EREC to inform Pipeline in the event EREC incurs a loss on the sale to Customer and the amount of such loss.

FERC Docket: CP93-568-002

Original Sheet No. 303 Original Sheet No. 303: Superseded

Service Request Form (Continued)

All requests for transportation should be mailed to:

Nora Transmission Company Attn: Transportation Dept. RE: SELF-IMPLEMENTING SERVICE REQUEST FORM 3500 Park Lane Pittsburgh, PA 15275

This form is provided for the convenience of Customer in complying with the service request procedures of Rate Schedules FTS and ITS. Nevertheless, it is Customer's responsibility to provide all of the information necessary to satisfy Pipeline's Tariff.

	(Customer)	
Date:		

Original Sheet No. 304 original Sheet No. 304: Superseded Service Request Form (continued)

Internal Use Only

1.	Date and Time Request received
2.	Sufficient Data (Y/N)
	If no, date letter sent:
3.	Agreement Date:
4.	Agreement No.:
5.	Nature, if any, of Customer's affiliation with Nora Transmission
	Company

FERC Docket: CP93-568-002

 $\textbf{Original Sheet No. 305} \; \texttt{Original Sheet No. 305} \; : \quad \texttt{Superseded}$

Service Request Form (continued)

(i) Points of Receipt

	Location of the	Maximum Daily Receipt	Total for Term of	Name of Pipeline, Gathering or Other Entity Delivering	Is Supplier	Estimated Entry	
Take-or-F	-	01-11	G 1 1	General edition		D	D-1'-C
Receipt Point (Yes/No)	Gas Production	Obligation (dth & MCF)	Contract (dth & MCF)	Gas into Pipeline's System	an affiliate of Pipeline?	Pressure (psig)	Relief

Percentage of gas for which service is requested for which Pipeline will receive take-or-pay relief. 2

FERC Docket: CP93-568-002

 $\textbf{Original Sheet No. 306} \; \texttt{Original Sheet No. 306} \; : \; \; \texttt{Superseded}$

Service Request Form (Continued)

(j) Points of Delivery

Maximum

Daily Total for
Delivery Term of
Obligation Contract
(dth & MCF) (dth & MCF) Name of Party Receiving Gas

Delivery Point

Original Sheet No. 307 <code>Original Sheet No. 307 : Superseded</code>

Service Request (continued)

Customer's Certification

	("Customer") hereby ifies that:
cert	illes that:
(1)	Customer has title to, or a current contractual right to acquire such title to, the gas to be gathered and/or transported by Pipeline.
(2)	Prior to the commencement of service, Customer has or will enter into all necessary third party transportation agreements to transport the gas to the party ultimately receiving the gas.
(3)	Customer has a sales contract or will enter into such sales contract with the party ultimately receiving the gas prior to the commencement of service.
	Ву:
	Ti+le.

Date:_____

Original Sheet No. 308-319 original Sheet No. 308-319 : Superseded

Sheet Nos. 308 through 319 have been "reserved for future use".

FERC Docket: RP96- 99-000

First Revised Sheet No. 320 First Revised Sheet No. 320 : Superseded Superseding: Original Sheet No. 320

INDEX OF FIRM CUSTOMERS

Identification of Service Agreement

Maximum

Daily	Rate	Contract	Effective	Expiration	
Contract	Rate	CONTLACT	FILECTIVE	Expiration	
Name of Customer (Dth)	Schedule	Date	Date	Date	Demand
Equitable Resources Exploration 35,000	FTS	6/1/94	6/1/94	Evergreen	