

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
 (Rates per dth)

RATE SCHEDULE IT-1 (INTERRUPTIBLE TRANSPORTATION SERVICE)

<u>Production Area</u>	<u>\$0.1554</u>	<u>\$0.0011</u>
<u>Texas</u>	<u>\$0.3790</u>	<u>\$0.0141</u>
<u>New Mexico</u>	<u>\$0.4514</u>	<u>\$0.0108</u>
<u>Arizona</u>	<u>\$0.6114</u>	<u>\$0.0142</u>
<u>Nevada</u>	<u>\$0.5995</u>	<u>\$0.0140</u>
<u>California</u>	<u>\$0.6609</u>	<u>\$0.0154</u>
<u>Samalayuca Lateral Line Facilities Charge</u>	<u>\$0.0644</u>	<u>\$0.0000</u>
<u>Willcox Lateral Line Facilities Charge</u>	<u>\$0.2737</u>	<u>\$0.0000</u>
<u>Mainline Backhaul 4/ (Forward haul rate identified above applicable to the delivery zone for which service is provided.)</u>		

Fuel and L&U See Sheet No. 29.

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 See Footnotes on Sheet No. 28.  
 ACA surcharge is shown in Footnote 1.

Rate To: PRODUCTION AREA

	M A X I M U M	M I N I M U M
From Receipt Basin:	Usage	Usage
San Juan	\$0.1177	\$0.0030
Permian	\$0.1177	\$0.0030
Anadarko	\$0.1177	\$0.0030
California	\$0.3260	\$0.0138

Rate To: TEXAS

	M A X I M U M	M I N I M U M
From Receipt Basin:	Usage	Usage
San Juan	\$0.1710	\$0.0031
Permian	\$0.1742	\$0.0063
Anadarko	\$0.1751	\$0.0072
California	\$0.3260	\$0.0138

Rate To: NEW MEXICO

M A X I M U M M I N I M U M

From Receipt Basin:	Usage	Usage
San Juan	\$0.2091	\$0.0154
Permian	\$0.2096	\$0.0159
Anadarko	\$0.2186	\$0.0249
California	\$0.3260	\$0.0138

Rate To: ARIZONA

M A X I M U M M I N I M U M

From Receipt Basin:	Usage	Usage
San Juan	\$0.2831	\$0.0204
Permian	\$0.2860	\$0.0233
Anadarko	\$0.2941	\$0.0314
California	\$0.3260	\$0.0138

Rate To: NEVADA

M A X I M U M M I N I M U M

From Receipt Basin:	Usage	Usage
San Juan	\$0.2856	\$0.0194
Permian	\$0.3040	\$0.0378
Anadarko	\$0.3077	\$0.0415
California	\$0.3260	\$0.0138

Rate To: CALIFORNIA

M A X I M U M M I N I M U M

From Receipt Basin:	Usage	Usage
San Juan	\$0.3298	\$0.0176
Permian	\$0.3481	\$0.0359
Anadarko	\$0.3526	\$0.0404
California	\$0.3260	\$0.0138

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
 (Rates per dth)

RATE SCHEDULE IHSW (INTERRUPTIBLE HOURLY SWING SERVICE)

	MAXIMUM 1/	MINIMUM 1/
<u>Production Area</u>	<u>\$0.0967</u>	<u>\$0.0013</u>
<u>Texas</u>	<u>\$0.2593</u>	<u>\$0.0165</u>
<u>New Mexico</u>	<u>\$0.3084</u>	<u>\$0.0126</u>
<u>Arizona</u>	<u>\$0.4219</u>	<u>\$0.0165</u>
<u>Nevada</u>	<u>\$0.4136</u>	<u>\$0.0164</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to the delivery zone for which service is provided.)

RATE SCHEDULE ISS (INTERRUPTIBLE STORAGE SERVICE)

	MAXIMUM 1/	MINIMUM 1/
<u>Storage Inventory Rate</u> <u>(applied monthly to the average daily balance of gas in storage for Shipper's account during the month)</u>	<u>\$0.0664</u>	<u>\$0.0000</u>
<u>Quantity Injection Rate</u>	<u>\$0.0345</u>	<u>\$0.0345</u>
<u>Quantity Withdrawal Rate</u>	<u>\$0.0317</u>	<u>\$0.0317</u>

Fuel See Sheet No. 29.

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 See Footnotes on Sheet No. 28.  
 ACA surcharge is shown in Footnote 1.

RATE SCHEDULE IT 1 (INTERRUPTIBLE TRANSPORTATION SERVICE)

	MAXIMUM	MINIMUM
<u>Usage</u>	<u>Usage</u>	<u>Usage</u>
<u>Mainline Shorthaul</u>	<u>\$0.1177</u>	<u>\$0.0030</u>
<u>Usage</u>	<u>Usage</u>	<u>Usage</u>
<u>Samalayuca Lateral Line Facilities Charge</u>	<u>\$0.0446</u>	<u>\$0.0001</u>
<u>Willecox Lateral Facilities Charge</u>	<u>\$0.1358</u>	<u>\$0.0000</u>
<u>Mainline Backhaul</u>	<u>(Rate identified above applicable to particular receipt and delivery points involved.)</u>	
<u>Fuel Charge</u>	<u>See Sheet No. 29.</u>	

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
 (Rates per dth)

RATE SCHEDULE FT-1 (FIRM TRANSPORTATION SERVICE) 5/

<u>MONTHLY 6/</u>	
<u>Reservation</u>	
-----	
Production Area	\$ 2.8156
Texas	\$ 6.6599
New Mexico	\$ 8.0412
Arizona	\$10.8996
Nevada	\$10.6857
California	\$11.7797

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----		-----	
Production Area	\$0.0926	\$0.0011	\$0.0000	\$0.0011
Texas	\$0.2190	\$0.0141	\$0.0000	\$0.0141
New Mexico	\$0.2644	\$0.0108	\$0.0000	\$0.0108
Arizona	\$0.3583	\$0.0142	\$0.0000	\$0.0142
Nevada	\$0.3513	\$0.0140	\$0.0000	\$0.0140
California	\$0.3873	\$0.0154	\$0.0000	\$0.0154

Samalayuca Lateral Line Facilities Charge 2/

	<u>MONTHLY 6/</u>	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----	-----		-----	
	\$ 1.1760	\$0.0387	\$0.0000	\$0.0000	\$0.0000

Willcox Lateral Facilities Charge 3/

	<u>MONTHLY 6/</u>	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----	-----		-----	
	\$ 4.9949	\$0.1642	\$0.0000	\$0.0000	\$0.0000

Mainline Backhaul 4/ (Forward haul rate identified above applicable to the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

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 See Footnotes on Sheet No. 28.  
 ACA surcharge is shown in Footnote 1.

DAILY CHARGES 4/

Received From: SAN JUAN BASIN

Rate To:

	M A X I M U M 6/			M I N I M U M		
	Reservation	Usage	Total 1/	Reservation	Usage	Total 1/
Prod. Area	\$0.11469	\$0.0030	\$0.11769	\$0.00000	\$0.0030	\$0.0030
Texas	\$0.16788	\$0.0031	\$0.17098	\$0.00000	\$0.0031	\$0.0031
New Mexico	\$0.19365	\$0.0154	\$0.20905	\$0.00000	\$0.0154	\$0.0154
Arizona	\$0.26274	\$0.0204	\$0.28314	\$0.00000	\$0.0204	\$0.0204
Nevada	\$0.26621	\$0.0194	\$0.28561	\$0.00000	\$0.0194	\$0.0194
California	\$0.31217	\$0.0176	\$0.32977	\$0.00000	\$0.0176	\$0.0176

Received From: PERMIAN

Rate To:

	M A X I M U M 6/			M I N I M U M		
	Reservation	Usage	Total 1/	Reservation	Usage	Total 1/
Prod. Area	\$0.11469	\$0.0030	\$0.11769	\$0.00000	\$0.0030	\$0.0030
Texas	\$0.16788	\$0.0063	\$0.17418	\$0.00000	\$0.0063	\$0.0063
New Mexico	\$0.19365	\$0.0159	\$0.20955	\$0.00000	\$0.0159	\$0.0159
Arizona	\$0.26274	\$0.0233	\$0.28604	\$0.00000	\$0.0233	\$0.0233
Nevada	\$0.26621	\$0.0378	\$0.30401	\$0.00000	\$0.0378	\$0.0378
California	\$0.31217	\$0.0359	\$0.34807	\$0.00000	\$0.0359	\$0.0359

Received From: ANADARKO

Rate To:

	M A X I M U M 6/			M I N I M U M		
	Reservation	Usage	Total 1/	Reservation	Usage	Total 1/
Prod. Area	\$0.11469	\$0.0030	\$0.11769	\$0.00000	\$0.0030	\$0.0030
Texas	\$0.16788	\$0.0072	\$0.17508	\$0.00000	\$0.0072	\$0.0072
New Mexico	\$0.19365	\$0.0249	\$0.21855	\$0.00000	\$0.0249	\$0.0249
Arizona	\$0.26274	\$0.0314	\$0.29414	\$0.00000	\$0.0314	\$0.0314
Nevada	\$0.26621	\$0.0415	\$0.30771	\$0.00000	\$0.0415	\$0.0415
California	\$0.31217	\$0.0404	\$0.35257	\$0.00000	\$0.0404	\$0.0404

Received From: CALIFORNIA

Rate To:

	M A X I M U M 6/			M I N I M U M		
	Reservation	Usage	Total 1/	Reservation	Usage	Total 1/
Prod. Area	\$0.31217	\$0.0138	\$0.32597	\$0.00000	\$0.0138	\$0.0138
Texas	\$0.31217	\$0.0138	\$0.32597	\$0.00000	\$0.0138	\$0.0138
New Mexico	\$0.31217	\$0.0138	\$0.32597	\$0.00000	\$0.0138	\$0.0138
Arizona	\$0.31217	\$0.0138	\$0.32597	\$0.00000	\$0.0138	\$0.0138
Nevada	\$0.31217	\$0.0138	\$0.32597	\$0.00000	\$0.0138	\$0.0138
California	\$0.31217	\$0.0138	\$0.32597	\$0.00000	\$0.0138	\$0.0138

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FT-1 (FIRM TRANSPORTATION SERVICE) 5/

<u>MONTHLY 6/</u>	
<u>Reservation</u>	
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<u>Production Area</u>	<u>\$ 3.48845</u>
<u>Texas</u>	<u>\$ 5.10630</u>
<u>New Mexico</u>	<u>\$ 5.89029</u>
<u>Arizona</u>	<u>\$ 7.99156</u>
<u>Nevada</u>	<u>\$ 8.09709</u>
<u>California</u>	<u>\$ 9.49521</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----		-----	
<u>Production Area</u>	<u>\$0.11469</u>	<u>\$0.0030</u>	<u>\$0.0000</u>	<u>\$0.0030</u>
<u>Texas</u>	<u>\$0.16788</u>	<u>\$0.0072</u>	<u>\$0.0000</u>	<u>\$0.0072</u>
<u>New Mexico</u>	<u>\$0.19365</u>	<u>\$0.0249</u>	<u>\$0.0000</u>	<u>\$0.0249</u>
<u>Arizona</u>	<u>\$0.26274</u>	<u>\$0.0314</u>	<u>\$0.0000</u>	<u>\$0.0314</u>
<u>Nevada</u>	<u>\$0.26621</u>	<u>\$0.0415</u>	<u>\$0.0000</u>	<u>\$0.0415</u>
<u>California</u>	<u>\$0.31217</u>	<u>\$0.0404</u>	<u>\$0.0000</u>	<u>\$0.0404</u>

Samalayuca Lateral Line Facilities Charge 2/

	<u>MONTHLY 6/</u>	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----	-----		-----	
	<u>\$ 1.35305</u>	<u>\$0.04450</u>	<u>\$0.0001</u>	<u>\$0.0000</u>	<u>\$0.0001</u>

Willcox Lateral Facilities Charge 3/

	<u>MONTHLY 6/</u>	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----	-----		-----	
	<u>\$ 4.13000</u>	<u>\$0.13580</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

NOTE: These rates are subject to adjustment pursuant to the inflation provisions of Section 25 of the GT&C, to be effective January 1, 2006.  
The Shippers subject to this rate are identified in Section 25.

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See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

~~Reserved for future use.~~  
STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FT-H (HOURLY FIRM TRANSPORTATION SERVICE  
THREE HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation  
 -----

<u>Production Area</u>	<u>\$ 2.8668</u>
<u>Texas</u>	<u>\$ 7.0955</u>
<u>New Mexico</u>	<u>\$ 8.6150</u>
<u>Arizona</u>	<u>\$11.7592</u>
<u>Nevada</u>	<u>\$11.5239</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----		-----	
<u>Production Area</u>	<u>\$0.0943</u>	<u>\$0.0012</u>	<u>\$0.0000</u>	<u>\$0.0012</u>
<u>Texas</u>	<u>\$0.2333</u>	<u>\$0.0155</u>	<u>\$0.0000</u>	<u>\$0.0155</u>
<u>New Mexico</u>	<u>\$0.2832</u>	<u>\$0.0118</u>	<u>\$0.0000</u>	<u>\$0.0118</u>
<u>Arizona</u>	<u>\$0.3866</u>	<u>\$0.0156</u>	<u>\$0.0000</u>	<u>\$0.0156</u>
<u>Nevada</u>	<u>\$0.3789</u>	<u>\$0.0154</u>	<u>\$0.0000</u>	<u>\$0.0154</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

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See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FT-H (HOURLY FIRM TRANSPORTATION SERVICE  
TWELVE HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation

<u>Production Area</u>	<u>\$ 2.9009</u>
<u>Texas</u>	<u>\$ 7.3859</u>
<u>New Mexico</u>	<u>\$ 8.9975</u>
<u>Arizona</u>	<u>\$12.3323</u>
<u>Nevada</u>	<u>\$12.0828</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
<u>Production Area</u>	<u>\$0.0954</u>	<u>\$0.0013</u>	<u>\$0.0000</u>	<u>\$0.0013</u>
<u>Texas</u>	<u>\$0.2428</u>	<u>\$0.0165</u>	<u>\$0.0000</u>	<u>\$0.0165</u>
<u>New Mexico</u>	<u>\$0.2958</u>	<u>\$0.0126</u>	<u>\$0.0000</u>	<u>\$0.0126</u>
<u>Arizona</u>	<u>\$0.4054</u>	<u>\$0.0165</u>	<u>\$0.0000</u>	<u>\$0.0165</u>
<u>Nevada</u>	<u>\$0.3972</u>	<u>\$0.0164</u>	<u>\$0.0000</u>	<u>\$0.0164</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FT-H (HOURLY FIRM TRANSPORTATION SERVICE  
SIXTEEN HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation

<u>Production Area</u>	<u>\$ 2.9436</u>
<u>Texas</u>	<u>\$ 7.7490</u>
<u>New Mexico</u>	<u>\$ 9.4756</u>
<u>Arizona</u>	<u>\$13.0486</u>
<u>Nevada</u>	<u>\$12.7813</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
<u>Production Area</u>	<u>\$0.0968</u>	<u>\$0.0014</u>	<u>\$0.0000</u>	<u>\$0.0014</u>
<u>Texas</u>	<u>\$0.2548</u>	<u>\$0.0176</u>	<u>\$0.0000</u>	<u>\$0.0176</u>
<u>New Mexico</u>	<u>\$0.3115</u>	<u>\$0.0135</u>	<u>\$0.0000</u>	<u>\$0.0135</u>
<u>Arizona</u>	<u>\$0.4290</u>	<u>\$0.0177</u>	<u>\$0.0000</u>	<u>\$0.0177</u>
<u>Nevada</u>	<u>\$0.4202</u>	<u>\$0.0176</u>	<u>\$0.0000</u>	<u>\$0.0176</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FT-H (HOURLY FIRM TRANSPORTATION SERVICE  
EIGHT HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation

<u>Production Area</u>	<u>\$ 3.3275</u>
<u>Texas</u>	<u>\$11.0162</u>
<u>New Mexico</u>	<u>\$13.7788</u>
<u>Arizona</u>	<u>\$19.4956</u>
<u>Nevada</u>	<u>\$19.0679</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
<u>Production Area</u>	<u>\$0.1094</u>	<u>\$0.0022</u>	<u>\$0.0000</u>	<u>\$0.0022</u>
<u>Texas</u>	<u>\$0.3622</u>	<u>\$0.0282</u>	<u>\$0.0000</u>	<u>\$0.0282</u>
<u>New Mexico</u>	<u>\$0.4530</u>	<u>\$0.0215</u>	<u>\$0.0000</u>	<u>\$0.0215</u>
<u>Arizona</u>	<u>\$0.6410</u>	<u>\$0.0284</u>	<u>\$0.0000</u>	<u>\$0.0284</u>
<u>Nevada</u>	<u>\$0.6269</u>	<u>\$0.0281</u>	<u>\$0.0000</u>	<u>\$0.0281</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FDBS (FIRM DAILY BALANCING SERVICE) 5/

MONTHLY 6/  
Reservation  
-----  
System-wide            \$11.6217

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
<u>System-wide</u>	<u>\$0.3821</u>	<u>\$0.0000</u>	<u>\$0.0000</u>	<u>\$0.0000</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U            See Sheet No. 29.

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See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE NNTD (DAILY NO-NOTICE TRANSPORTATION SERVICE) 5/

MONTHLY 6/  
Reservation  
 -----

<u>Production Area</u>	<u>\$ 3.9539</u>
<u>Texas</u>	<u>\$ 7.7982</u>
<u>New Mexico</u>	<u>\$ 9.1795</u>
<u>Arizona</u>	<u>\$12.0379</u>
<u>Nevada</u>	<u>\$11.8240</u>
<u>California</u>	<u>\$12.9180</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
	-----	-----	-----	-----
<u>Production Area</u>	<u>\$0.1300</u>	<u>\$0.0011</u>	<u>\$0.0000</u>	<u>\$0.0011</u>
<u>Texas</u>	<u>\$0.2564</u>	<u>\$0.0141</u>	<u>\$0.0000</u>	<u>\$0.0141</u>
<u>New Mexico</u>	<u>\$0.3018</u>	<u>\$0.0108</u>	<u>\$0.0000</u>	<u>\$0.0108</u>
<u>Arizona</u>	<u>\$0.3958</u>	<u>\$0.0142</u>	<u>\$0.0000</u>	<u>\$0.0142</u>
<u>Nevada</u>	<u>\$0.3887</u>	<u>\$0.0140</u>	<u>\$0.0000</u>	<u>\$0.0140</u>
<u>California</u>	<u>\$0.4247</u>	<u>\$0.0154</u>	<u>\$0.0000</u>	<u>\$0.0154</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

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See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE NNTH (HOURLY NO-NOTICE TRANSPORTATION SERVICE  
THREE HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation

<u>Production Area</u>	<u>\$ 4.0051</u>
<u>Texas</u>	<u>\$ 8.2338</u>
<u>New Mexico</u>	<u>\$ 9.7533</u>
<u>Arizona</u>	<u>\$12.8975</u>
<u>Nevada</u>	<u>\$12.6622</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
<u>Production Area</u>	<u>\$0.1317</u>	<u>\$0.0012</u>	<u>\$0.0000</u>	<u>\$0.0012</u>
<u>Texas</u>	<u>\$0.2707</u>	<u>\$0.0155</u>	<u>\$0.0000</u>	<u>\$0.0155</u>
<u>New Mexico</u>	<u>\$0.3207</u>	<u>\$0.0118</u>	<u>\$0.0000</u>	<u>\$0.0118</u>
<u>Arizona</u>	<u>\$0.4240</u>	<u>\$0.0156</u>	<u>\$0.0000</u>	<u>\$0.0156</u>
<u>Nevada</u>	<u>\$0.4163</u>	<u>\$0.0154</u>	<u>\$0.0000</u>	<u>\$0.0154</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE NNTH (HOURLY NO-NOTICE TRANSPORTATION SERVICE  
TWELVE HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation

<u>Production Area</u>	<u>\$ 4.0392</u>
<u>Texas</u>	<u>\$ 8.5242</u>
<u>New Mexico</u>	<u>\$10.1358</u>
<u>Arizona</u>	<u>\$13.4706</u>
<u>Nevada</u>	<u>\$13.2211</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
<u>Production Area</u>	<u>\$0.1328</u>	<u>\$0.0013</u>	<u>\$0.0000</u>	<u>\$0.0013</u>
<u>Texas</u>	<u>\$0.2802</u>	<u>\$0.0165</u>	<u>\$0.0000</u>	<u>\$0.0165</u>
<u>New Mexico</u>	<u>\$0.3332</u>	<u>\$0.0126</u>	<u>\$0.0000</u>	<u>\$0.0126</u>
<u>Arizona</u>	<u>\$0.4429</u>	<u>\$0.0165</u>	<u>\$0.0000</u>	<u>\$0.0165</u>
<u>Nevada</u>	<u>\$0.4347</u>	<u>\$0.0164</u>	<u>\$0.0000</u>	<u>\$0.0164</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE NNTH (HOURLY NO-NOTICE TRANSPORTATION SERVICE  
SIXTEEN HOUR ENHANCED SERVICE OPTION) 5/

MONTHLY 6/  
Reservation

<u>Production Area</u>	<u>\$ 4.0819</u>
<u>Texas</u>	<u>\$ 8.8873</u>
<u>New Mexico</u>	<u>\$10.6139</u>
<u>Arizona</u>	<u>\$14.1869</u>
<u>Nevada</u>	<u>\$13.9196</u>

	<u>DAILY MAXIMUM 1/</u>		<u>DAILY MINIMUM 1/</u>	
	<u>Reservation</u>	<u>Usage</u>	<u>Reservation</u>	<u>Usage</u>
<u>Production Area</u>	<u>\$0.1342</u>	<u>\$0.0014</u>	<u>\$0.0000</u>	<u>\$0.0014</u>
<u>Texas</u>	<u>\$0.2922</u>	<u>\$0.0176</u>	<u>\$0.0000</u>	<u>\$0.0176</u>
<u>New Mexico</u>	<u>\$0.3490</u>	<u>\$0.0135</u>	<u>\$0.0000</u>	<u>\$0.0135</u>
<u>Arizona</u>	<u>\$0.4664</u>	<u>\$0.0177</u>	<u>\$0.0000</u>	<u>\$0.0177</u>
<u>Nevada</u>	<u>\$0.4576</u>	<u>\$0.0176</u>	<u>\$0.0000</u>	<u>\$0.0176</u>

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

STATEMENT OF RATES FOR TRANSPORTATION OF NATURAL GAS  
(Rates per dth)

RATE SCHEDULE FT-2 (FIRM TRANSPORTATION SERVICE)

DAILY CHARGES

TIER 1 SERVICE

	<u>MAXIMUM 1/</u>	<u>MINIMUM 1/</u>
Texas	\$0.3790	\$0.0141
New Mexico	\$0.4514	\$0.0108
Arizona	\$0.6114	\$0.0142

TIER 2 SERVICE

	<u>MAXIMUM 1/</u>	<u>MINIMUM 1/</u>
Texas	\$0.5685	\$0.0141
New Mexico	\$0.6771	\$0.0108
Arizona	\$0.9172	\$0.0142

Mainline Backhaul 4/ (Forward haul rate identified above applicable to  
the delivery zone for which service is provided.)

Fuel and L&U See Sheet No. 29.

Provisions for Tier 1 and Tier 2 Service are included in Rate Schedule FT-2.

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See Footnotes on Sheet No. 28.  
ACA surcharge is shown in Footnote 1.

Rate To: ~~PRODUCTION AREA~~ ~~ANADARKO~~

From ~~MAXIMUM~~ ~~MINIMUM~~

Receipt Basin:

	<del>Transportation Charge 1/</del>	<del>Transportation Charge 1/</del>
San Juan	<del>\$0.2842</del>	<del>\$0.0031</del>
Permian	<del>\$0.2903</del>	<del>\$0.0063</del>
Anadarko	<del>\$0.2839</del>	<del>\$0.0030</del>
California	<del>\$0.3260</del>	<del>\$0.0138</del>

Rate To: ~~PRODUCTION AREA~~ ~~PERMIAN~~

From ~~MAXIMUM~~ ~~MINIMUM~~

Receipt Basin:

	<del>Transportation Charge 1/</del>	<del>Transportation Charge 1/</del>
San Juan	<del>\$0.2842</del>	<del>\$0.0031</del>
Permian	<del>\$0.2839</del>	<del>\$0.0030</del>
Anadarko	<del>\$0.2922</del>	<del>\$0.0072</del>
California	<del>\$0.3260</del>	<del>\$0.0138</del>

Rate To: ~~PRODUCTION AREA~~ ~~SAN JUAN~~

From ~~MAXIMUM~~ ~~MINIMUM~~

Receipt Basin:

	<del>Transportation Charge 1/</del>	<del>Transportation Charge 1/</del>
San Juan	<del>\$0.2839</del>	<del>\$0.0030</del>
Permian	<del>\$0.3095</del>	<del>\$0.0159</del>
Anadarko	<del>\$0.3277</del>	<del>\$0.0249</del>
California	<del>\$0.3260</del>	<del>\$0.0138</del>

STATEMENT OF RATES  
(Rates per ~~Dth~~Dth)

RATE SCHEDULE PAL - INTERRUPTIBLE PARKING AND LENDING SERVICE

	Maximum Daily Rate	Minimum Daily Rate
<del>First Day Usage</del> Charge:		
Parking Rate:	\$0. <del>01380</del> <u>5895</u>	\$0. <del>00000</del> <u>0135</u>
Lending Rate:	\$0. <del>01380</del> <u>5895</u>	\$0. <del>00000</del> <u>0135</u>
<del>Subsequent Day Charge:</del> _____		
<del>Parking Rate:</del> _____	<del>\$0.32597</del>	<del>\$0.00000</del>
<del>Lending Rate:</del> _____	<del>\$0.32597</del>	<del>\$0.00000</del>
<del>Authorized Overrun Charge:</del> _____		
<del>Parking Rate:</del> _____	<del>\$0.32597</del>	<del>\$0.00000</del>
<del>Lending Rate:</del> _____	<del>\$0.32597</del>	<del>\$0.00000</del>

TRANSPORTATION GENERAL TERMS AND CONDITIONS

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TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

25. LONG-TERM RATE STABILITY PLAN

The Stipulation and Agreement at Docket No. RP95-363-000, et al., ("Docket No. RP95-363-000 Settlement") establishes El Paso's Long-Term Rate Stability Plan for the period January 1, 1996, through December 31, 2005. Among other things, this Plan establishes the following provisions for service on El Paso's interstate pipeline system for the time periods specified.

25.1 RESERVED FOR FUTURE USE.

25.2 Annual Inflation Adjustment

- (a) Effective January 1, 1998, and on each anniversary date thereafter, El Paso shall increase the Operations and Maintenance (O&M) and Other Taxes portion of the Base Reservation and Usage Charges for Rate Schedule FT-1 and the Base Rates for Rate Schedule FT-2 ("Base Rates") in effect for the preceding year (such O&M and Other Taxes portion of such Rates or Charges being equal to 53.7% of the rates as of January 1, 1996) by 93% of the increase in the Implicit Price Deflator ("IPD") to the Gross Domestic Product ("GDP") as published by the Department of Commerce's Bureau of Economic Analysis ("BEA"), or a mutually agreed similar indicator should the GDP no longer be available on a continuing basis, or, failing such agreement, a similar indicator as approved by the Commission. ~~The Rate Schedule FT-1 rates and Volume No. 2 rates, where applicable, shall be adjusted to correspond to the Rate Schedule FT-1 rates on a 100% load factor basis.~~ Notwithstanding the above calculation, the annual increase in total Base Rates will not be less than 1% or more than 4-1/2% of the prior year's total Base Rates. The resulting rates shall become the Base Rates for purposes of applying the annual inflation adjustment for the succeeding year.
- (b) For the annual inflation adjustment to be effective January 1, 1998, the most recently published final IPD prior to the inflation adjustment filing will be compared to the IPD reported by the BEA for the same period of the prior year to determine the annual change. For the rate change to be effective January 1, 1999, and thereafter, the most recently published final IPD prior to the inflation adjustment filing will be compared to the IPD used in the prior year's filing to determine the annual change. If the BEA modifies the

TRANSPORTATION GENERAL TERMS AND CONDITIONS  
(Continued)

25. LONG-TERM RATE STABILITY PLAN (Contd.)

25.2 Annual Inflation Adjustment (Continued)

(b) (Continued)

benchmark index for the IPD, then El Paso will use the restated IPD reported by the BEA instead of the IPD used by El Paso in its last inflation adjustment filing. As an illustration of this calculation, if the final IPD for 1999 is 132.1 and the final IPD for 1998 was 129.0, the calculation would be  $(132.1-129.0)/129.0$ , which equals an annual change in the IPD of 2.40%. Since 93% of 2.40% equals 2.23%, the adjustment factor is 2.23%.

25.3 To the extent that Paragraph 11.2(a) of the 1996 rate case settlement at Docket No. RP95-363-000 is still effective for Contract Demand Shippers, it shall apply to the following TSAs. As such, FT-1 service provided under these TSAs shall be assessed at the rates listed on Sheet No. 23A. The rates shall be adjusted annually pursuant to the inflation provisions of Section 25.2 of this Tariff.

<u>TSA</u>	<u>Shipper Name</u>
97YK	<u>Aera Energy LLC</u>
97YG	<u>Burlington Resources Trading Inc.</u>
9836	<u>Los Angeles, City of</u>
97YR	<u>Natural Gas Processing Co.</u>
97YE	<u>Saguaro Power Company</u>
9844	<u>San Diego Gas and Electric Company</u>
97VT	<u>Southern California Gas Company</u>
97ZL	<u>Southwest Gas Corporation - NV</u>
97YF	<u>Texaco Natural Gas Inc.</u>
97YH	<u>U.S. Borax &amp; Chemical Corporation</u>
982V	<u>West Texas Gas, Inc.</u>