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FERC Docket: CP92-203-002

Original Sheet No. 0 K N Wattenberg Transmission Limited Liability: Original Volume No. 1 Original Sheet No. 0 : Effective

FERC GAS TARIFF

ORIGINAL VOLUME NO. 1

K N WATTENBERG TRANSMISSION LIMITED LIABILITY COMPANY

filed with the

FEDERAL ENERGY REGULATORY COMMISSION

Communications regarding this Tariff should be addressed to:

Compliance Department K N Wattenberg Transmission Limited Liability Company P.O. Box 281304 Lakewood, CO 80228-8304

Effective Date: 04/01/1993 Status: Effective FERC Docket: CP92-203-002

Original Sheet No. 1 original Sheet No. 1 : Effective

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Effective Date: 06/01/1997 Status: Effective

FERC Docket: CP92-203-002

Original Sheet No. 4 Original Sheet No. 4: Effective

## PRELIMINARY STATEMENT

This Federal Energy Regulatory Commission Gas Tariff, Original Volume No. 1, includes firm transportation Rate Schedule FT, interruptible transportation Rate Schedule IT, and forms of gas transportation service agreements for transportation service provided under Rate Schedules FT and IT. General Terms and Conditions applicable to transportation service provided by K N Wattenberg Transmission Limited Liability Company pursuant to 18 C.F.R. Part 284, Subparts B and G are also included.

Effective Date: 04/01/1993 Status: Effective FERC Docket: CP92-203-002

 $\textbf{Original Sheet No. 5} \; \texttt{Original Sheet No. 5} \; : \; \; \texttt{Effective}$ 

Sheet No. 5 includes a system map that is not filed electronically.

FERC Docket: TM98-1-117-000

Seventh Revised Sheet No. 6 Seventh Revised Sheet No. 6: Effective

Superseding: Sixth Revised Sheet No. 6

Commodity Charge

Commodity Charge

FERC Annual Charge Adjustment

Schedule of Rates for Transportation

Rates Per MMBtu 1/

0.0088 0.0000

0.0022

Rate Schedule	Type of Charge	Maximum Rates	Minimum Rates			
Firm Transportation						
FT	Reservation Charge	4.1003	0.0000			
	Commodity Charge	0.0172	0.0172			
Interruptible Transportation						
IT	Commodity Charge	0.1520	0.0172			
Gas Research Institute Charge						
	Reservation Charge Load Factor 50% or Less Load Factor over 50%	0.1600 0.2600	0.0000			

1/ Reservation Rates are stated in \$/MMBtu per month.
 Commodity Rates are stated in \$/MMBtu.
 Minimum reservation charges (including GRI) are \$0.0000.

The authorized Gas Research Institute charge and FERC annual charge adjustment will be charged when applicable. The authorized overrun charge will be equal to the maximum transportation commodity rate and the unauthorized overrun charge will be equal to twice the maximum transportation commodity rate.

FERC Docket: CP92-203-002

Original Sheet No. 7 Original Sheet No. 7: Effective

# FIRM TRANSPORTATION SERVICE RATE SCHEDULE

## 1. AVAILABILITY.

This Rate Schedule is available for firm transportation of natural gas by K N Wattenberg Transmission Limited Liability Company ("Transporter") for any party ("Shipper"), when:

- 1.1 Shipper has elected to have gas transported under this Firm Transportation Rate Schedule;
- 1.2 Such transportation can be performed without any construction of facilities or other necessary investment by Transporter unless Transporter has waived in a non-discriminatory manner this requirement in writing;
- 1.3 Shipper has executed a Service Agreement in the form contained in this Gas Tariff of which this Rate Schedule is a part;
- 1.4 The transportation service is to be implemented in accordance with Part 284 of the FERC Regulations;
- 1.5 Transporter shall receive and deliver gas to Shipper as shown on the executed Service Agreement.
- 1.6 Transporter has determined that it has available or will secure sufficient uncommitted capacity to provide the firm service requested by Shipper.
- 2. APPLICABILITY AND CHARACTER OF SERVICE.
  - 2.1 Transportation service hereunder shall include forward-haul, displacement and exchange service. The service will be on a firm basis, but subject to the General Terms and Conditions attached hereto.

FERC Docket: CP92-203-005

Substitute Original Sheet No. 8 Substitute Original Sheet No. 8: Effective

Firm Transportation Service - cont.

- 2.2 Transporter shall not be required to perform service under this Rate Schedule on behalf of any Shipper that fails to comply with any and all of the terms of this Rate Schedule, with the terms of Shipper's executed Service Agreement with Transporter or with the provisions of Transporter's General Terms and Conditions incorporated herewith; provided, Transporter shall give Shipper ten (10) days advance notice during which Shipper has an opportunity to come into compliance before Transporter exercises its rights under this Section.
- 2.3 Transporter shall receive from Shipper, or for the account of Shipper, at the "Receipt Point(s)" as specified in an executed FT Service Agreement daily quantities of gas tendered for transportation up to Shipper's Maximum Daily Receipt Quantity (MDRQ). Upon receipt of natural gas for Shipper's account, Transporter shall, after a reduction for the Fuel Reimbursement Quantity, transport and deliver for the account of Shipper the thermal equivalent of such gas at the "Delivery Point(s)" as specified in the Service Agreement. Transporter shall not be obligated to, but may at its option, on any day deliver a quantity of gas in excess of the applicable Maximum Daily Delivery Quantity (MDDQ).
- 2.4 Provided Transporter's prior consent is obtained, Shipper may tender quantities of gas in excess of the MDTQ on any day if in Transporter's reasonable judgment such tender and transportation of such gas can be accomplished by Transporter without detriment to any other Shipper under any of Transporter's rate schedules, and if such transportation is compatible with Transporter's system operation requirements.
- 2.5 To the extent service under this Rate Schedule is interrupted, such affected service under this Rate Schedule shall be reduced in accordance with Transporter's General Terms and Conditions.
- 2.6 PRIMARY AND SECONDARY POINTS.
  - a. Primary Point(s). Primary receipt points are those receipt points on Transporter's system, as specified in an executed FT service Agreement between Shipper and Transporter, at which Transporter shall receive gas from Shipper, or for Shipper's account, for transportation

FERC Docket: CP92-203-006

Second Substitute Original Sheet No. 9 second Substitute Original Sheet No. 9 : Effective

Firm Transportation Service - cont.

under the Agreement. Primary delivery points are those points on Transporter's system, as specified in the Service Agreement, at which Transporter shall redeliver gas to Shipper, or for Shipper's account, under the Agreement. The volume specified for a primary point shall not exceed the available firm capacity at that point.

- b. Secondary Point(s). Secondary points are those receipt and delivery points on Transporter's system, not specified in the executed FT Service Agreement between Shipper and Transporter, which Shipper may desire to use. A Shipper holding FT service may nominate from any number of secondary points. The sum of the nominated quantities at all primary and secondary points shall not exceed the Maximum Daily Transportation Quantity (MDTQ) of the Agreement on any given day.
- c. Nominations at Primary or Secondary Points. Shippers served under FT rate schedules may nominate at either primary or secondary points. Nominations at a secondary point will not interrupt FT service which uses that point as a primary point. However, nominations at secondary points will interrupt IT service, if necessary, in order to secure sufficient capacity to meet the firm service requirements, provided that interruption shall not occur until Transporter has given IT service customers a 24-hour notice.
- d. Maximum Daily Receipt Quantity (MDRQ). (At Individual Receipt Point.) The MDRQ means the maximum quantity of natural gas which Transporter agrees to receive on any day at an indicated primary receipt point as specified in the executed Service Agreement; provided, however, that the sum of the MDRQ at all primary receipt points shall not be in excess of the Maximum Daily Transportation Quantity (MDTQ) specified in the executed Service Agreement.
- e. Maximum Daily Delivery Quantity (MDDQ). (At Individual Delivery Point). The MDDQ means the maximum quantity of natural gas which Transporter agrees to deliver on any day at any indicated primary delivery point as specified in the executed Service Agreement; provided, however, the sum of the MDDQ at all primary delivery points, plus fuel reimbursement and other deductions, shall not be in excess of the MDTQ specified in the executed Service Agreement.

FERC Docket: CP92-203-002

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Firm Transportation Service - cont.

## 2.7 ADDITIONAL FACILITIES.

- a. Transporter shall not be obligated to add any facilities or expand the capacity of Transporter's pipeline system in any manner in order to provide transportation service to Shipper pursuant to this Rate Schedule; however, Transporter is willing to add facilities whenever such is deemed, in Transporter's reasonable judgment, to be economically, operationally, and technically feasible, subject to the following conditions:
  - (1) Transporter has received an executed revised service agreement(s) from existing and prospective Shipper's requesting such additional facilities;
  - (2) Transporter and Shipper enter into a facilities agreement which is subject to the provisions of this Tariff;
  - (3) The nature, extent and timing of facilities required shall be at the reasonable discretion of Transporter;
  - (4) Transporter receives acceptable assurances of financial reliability from any Shipper requesting additional capacity.
- b. When Transporter in its reasonable discretion agrees with Shipper to construct or acquire new facilities, including compression facilities, in order to provide service to Shipper, Transporter may require Shipper:
  - (1) To make a facilities reimbursement payment, including a gross-up for applicable state and federal income tax expense associated with such facilities;

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Original Sheet No. 11 Original Sheet No. 11: Effective

Firm Transportation Service - cont.

- (2) To agree to a reimbursement schedule setting the terms, the rate, and the conditions for reimbursement of the additional facility charge, including an obligation to reimburse Transporter, upon demand, for any unamortized capital charges, under an agreed upon amortization schedule, which may remain if service by Transporter to Shipper under this rate schedule is terminated prior to the end of said amortization period.
- c. If Transporter, in its reasonable discretion, agrees in writing that Shipper can satisfactorily install, operate and maintain any measuring equipment which Shipper desires to install, maintain, or operate pursuant to the specifications set forth in the General Terms and Conditions of Transporter's Tariff, Transporter shall not be obligated to install such measuring equipment and Shipper shall be relieved of any obligation to reimburse Transporter for the costs related thereto. If Shipper measures the gas, Shipper shall send to Transporter in writing the readings and dates from such measuring equipment by the 5th day of the next succeeding month.
- 3. REQUIREMENTS FOR FIRM SERVICE AGREEMENT.
  - 3.1 REQUEST. All Shippers requesting firm transportation service must provide the information required by this section and by Transporter's Transportation Service Request Form included in this Tariff, in order to qualify for firm transportation service under this Rate Schedule. Transporter shall not be required to perform service under this Rate Schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made. No request for firm service will be entered on Transporter's log until all such information and a completed Transportation Service Request Form has been provided to Transporter. All completed Transportation Service Request forms are to be sent to:

FERC Docket: CP92-203-002

Original Sheet No. 12 Original Sheet No. 12: Effective

Firm Transportation Service - cont.

K N Wattenberg Transmission Limited Liability Company P.O. Box 281304 Lakewood, Colorado 80228-8304

Attention: Marketing and Transportation Department

Any request shall include the following:

- a. COMPLETE LEGAL NAME OF SHIPPER. If person requesting service is acting as agent for Shipper, all information as set forth in a. through c. must also be provided with respect to Shipper.
- o. INFORMATION REGARDING COMMUNICATION. Name, address and telephone number to whom correspondence, billings, or other communications 'Should be directed. State name, address and phone number of twenty-four (24) hour contact person for purposes of exchanging scheduling and volume information.
- c. TYPE OF COMPANY. State type of legal entity and state of incorporation, if applicable. Specify whether a local distribution company, intrastate pipeline, interstate pipeline, producer, end-user, marketer, broker or other. If other, describe in detail.
- d. AGENCY INFORMATION. If requestor is an agent for Shipper, provide proof of authority, legal name of principal, and type of company.
- e. TYPE OF SERVICE REQUESTED. Whether requested service is firm or interruptible.
- f. GAS QUANTITIES. The desired Maximum Daily Transportation Quantity (MDTQ).

FERC Docket: CP92-203-002

Original Sheet No. 13 Original Sheet No. 13: Effective

Firm Transportation Service - cont.

- g. TERM. The proposed commencement and termination dates of service; provided however, the proposed commencement date shall not be more than ninety (90) days from the date of the request for transportation hereunder unless further time is necessitated by Transporter's construction of facilities.
- h. FACILITIES. Whether any additional or new facilities are required to receive or deliver gas for the transportation service requested herein.
- i. RECEIPT POINTS. The designated Primary Receipt Point(s) for the requested transportation with the names of any pipelines transporting the gas immediately upstream of Transporter's facilities. Secondary Receipt Points may be requested.
- j. DELIVERY POINTS. The designated Primary Delivery Point(s) for the requested transportation. Secondary Delivery Points may be requested.
- k. AFFILIATE INFORMATION. The extent of Shipper's, end user's, or supplier's affiliation with Transporter.
- 1. CREDIT INFORMATION.
  - (1) A copy of Shipper's most recent audited financial statements or, at Transporter's option, a bank reference satisfactory to Transporter;
  - (2) A copy of Shipper's most recent Annual Report and 10-K Form, if applicable.
  - (3) A completed Credit Application Form.

FERC Docket: CP92-203-002

Original Sheet No. 14 original Sheet No. 14: Effective

Firm Transportation Service - cont.

- m. PREPAYMENT. Shipper shall pay Transporter an amount equal to the Capacity Reservation Charge applicable to the proposed service for a one month period, or \$10,000.00 whichever is less, which amount shall be credited to Shipper's initial invoice for this service or refunded to Shipper pursuant to the Service Agreement.
- n. EXECUTION. A Service Agreement shall be executed by Shipper within thirty (30) days of being tendered by Transporter following Transporter's acceptance of Shipper's request for service.
- 3.2 FILING FEES. Any and all filing and approval fees required in connection with Shipper's Service Agreement that Transporter is obligated to pay to the FERC or any other governmental authority having jurisdiction shall be billed to Shipper. Any fees recovered hereunder will not be included in Transporter's cost of service.
- 3.3 REIMBURSEMENT. Any reimbursement due Transporter by Shipper pursuant to this section shall be due and payable to Transporter within thirteen (13) days of the postmark date of Transporter's invoice(s) for same.

#### 4. RATES.

4.1 MAXIMUM AND MINIMUM RATES. The applicable maximum and minimum unit rates for firm transportation service are set forth in the currently effective Schedule of Rates. The applicable unit rate under this Rate Schedule shall be a rate not in excess of the maximum unit rate nor less than the minimum unit rate. Transporter may adjust these rates on a non-discriminatory basis within this range. Transporter will charge the maximum rate unless otherwise agreed to in writing with Shipper.

FERC Docket: CP92-203-003

Substitute Original Sheet No. 15 Substitute Original Sheet No. 15: Effective

Firm Transportation Service - cont.

- 4.2 MONTHLY BILL. Commencing for the month in which the FT Service Agreement is effective and each month thereafter, Transporter shall charge and Shipper shall pay Transporter the following amounts:
  - a. CAPACITY RESERVATION CHARGE. The Capacity Reservation Charge shall be:
    - A reservation charge for the billing period equal to the MDTQ specified in the Service Agreement multiplied by the applicable reservation rate, and
  - b. COMMODITY CHARGE. The applicable unit commodity rate set forth in the currently effective Rate Schedule multiplied by the volume in Dkt of gas delivered by Transporter in the month at the Delivery Point(s).
- 4.3 Transporter shall not be required to perform or to continue to perform services under this Rate Schedule on behalf of any Shipper that has applied for bankruptcy under Chapters 7 or 11of the Bankruptcy Code or on behalf of any Shipper who has an uncontested unpaid bill over sixty (60) days overdue; provided, however, that Transporter will not terminate service to a bankrupt customer in a manner that is inconsistent with the Federal Bankruptcy Code, and provided further, that Transporter will not terminate service for non-payment without first providing appropriate written notice, as set forth in the General Terms and Conditions of Transporter's tariff. Such Shipper may receive service under this Rate Schedule if said Shipper prepays for such service or, upon fifteen (15) days notice from Transporter, furnishes good and sufficient surety bond, or other good and sufficient security of a continuing nature and in an amount equal to the cost of performing the transportation service requested by or provided to Shipper under this Rate Schedule for a three month period.

FERC Docket: RP97-144-001

First Revised Sheet No. 16 First Revised Sheet No. 16: Effective

Superseding: Substitute Original Sheet No. 16

Firm Transportation Service - cont.

## 5. BALANCING.

- 5.1 Thermal balancing of transportation receipts and deliveries is the responsibility of the Shipper. The Transporter will provide to the Shipper a monthly "Statement of Gas Transported" which will notify the Shipper of each month's beginning cumulative imbalance, activity, and ending cumulative imbalance. Imbalances are to be minimized and are subject to the terms and conditions of this Tariff.
- 5.2 OVERRECEIPTS. An overreceipt occurs when the Dth received into the Transporter's system (net of Fuel Reimbursement) is in excess of the Dth redelivered to the Shipper's designated location(s).
- 5.3 SETTLEMENT OF OVERRECEIPT IMBALANCE.
- a. A month-end overreceipt imbalance in excess of 3,000 Dth shall be reduced to an imbalance of 3,000 Dth or less as of one of the three ensuing month-ends. If the Shipper does not meet this schedule, the Transporter may, as of the third ensuing month-end, in its reasonable discretion, take appropriate action to reduce the imbalance to 3,000 Dth. Such action may include retention by Transporter of volumes in excess of 3,000 Dth or refusal by Transporter to accept additional volumes from Shipper into the system; and/or
- b At third ensuing month-end, if an overreceipt imbalance has not been reduced below 3, 000 Dth, then Transporter may purchase the excess at 70% of CIG's Index Price (in Dth) for gas received into its pipeline from Rocky Mountain sources for the month in which the imbalance occurred, as published in Inside FERC Gas Market Report, or any successor publication.

FERC Docket: RP97-144-001

Original Sheet No. 16A original Sheet No. 16A : Effective

Firm Transportation Service - cont.

5.4 OVERDELIVERIES. An overdelivery occurs when the Dth redelivered to the Shipper's designated location(s) is in excess of the Dth received into the Transporter's system (net of Fuel Reimbursement).

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FERC Docket: RP97-144-001

First Revised Sheet No. 17 First Revised Sheet No. 17: Effective

Superseding: Substitute Original Sheet No. 17

Firm Transportation Service - cont.

- 5.5 SETTLEMENT OF OVERDELIVERIES IMBALANCE. A month-end overdelivery imbalance in excess of 3,000 Dth shall be reduced to an imbalance of 3,000 Dth or less as of one of the three ensuing month-ends. If the Shipper does not meet this schedule, the Transporter may either (1) reduce deliveries or (2) bill the Shipper for the overdelivery based on 130% of CIG's Index Price(in Dth) for gas received into its pipeline from Rocky Mountain sources for the month in which the imbalance occurred, as published in Inside FERC Gas Market Report, or any successor publication. This overdelivery billing shall be in addition to the transportation charge made for all delivered volumes.
- 5.6 TERMINATION. Any imbalance remaining at the termination of a Transportation Service Agreement shall be resolved within sixty days of such termination by appropriate deliveries by the Transporter, or by appropriate receipts by the Transporter or by payment as set out above.
- 5.7 FORCE MAJEURE OCCURRENCE. In the event of a force majeure occurrence as defined in the General Terms and Conditions of Transporter's Tariff, Shipper shall not be relieved from its obligation to make payment of amounts then due or which become due hereunder. If Shipper's obligation to pay a balancing penalty under this rate schedule is a direct consequence of an imbalance which occurs as a result of Transporter's force majeure on Transporter's system as defined in the General Terms and Conditions of Transporter's Tariff, such Shipper shall be relieved of such imbalance penalties.

FERC Docket: RP97-144-006

First Revised Sheet No. 17A First Revised Sheet No. 17A: Effective

Superseding: Original Sheet No. 17A

Firm Transportation Service - cont.

6. SCHEDULING OF RECEIPTS AND DELIVERIES.

6.1 NOMINATIONS. If Shipper desires transportation of gas on any day under this Rate Schedule, Shipper shall comply with the following nomination procedures. Any nominations received after a nomination deadline shall be scheduled after nominations received before that nomination deadline. The standard quantity for nominations, confirmations, and scheduling is dekatherms per gas day. The standard conversion factor between dekatherms and Gigajoules will be 1.055056 Gigajoules per dekatherm. All nominations must be submitted electronically or in written form.

FERC Docket: RP97-144-006

Second Revised Sheet No. 18 Second Revised Sheet No. 18: Effective

Superseding: First Revised Sheet No. 18

Firm Transportation Service - cont.

A standard nomination shall be those nominations submitted by Shipper to Transporter's Transportation Administration Section by 11:30 a.m. (CT) on the day prior to the first gas day (9:00 a.m. CT) on which Shipper desires transportation. Transporter must receive nomination by 11:45 a.m.(CT) the day before gas flows. Type 1 intra-day nominations shall be those nominations submitted by Shipper after 11:30 a.m.(CT) the day before gas flow but before 4:30p.m. (CT). Type 2 intra-day nominations shall be those nominations submitted by Shipper after 4:30 p.m.(CT) the day before gas flow but before 1:00 p.m. (CT) on the day of gas flow. Type 1 or 2 intra-day nominations may be used to request increases or decreases in total flow, changes to receipt points or changes to delivery points of scheduled gas. Any nomination received after 1:00 p.m. (CT) on the day of flow shall be processed and scheduled on a reasonable efforts basis.

FERC Docket: RP97-144-001

Original Sheet No. 18A Original Sheet No. 18A: Effective

Firm Transportation Service - cont.

Shipper shall include in the nomination the daily quantity of gas to be received by Transporter (including Shipper's transportation volumes and Btu levels, daily overrun volumes which may be nominated as a separate transaction, any daily volumes to satisfy past imbalances, and fuel reimbursement quantities for volumes at each specified Receipt Point), Shipper defined begining and ending dates, and the daily quantity to be delivered by Transporter at each specified delivery point for the gas day to commence at 9:00 a.m.(CT) of the desired day but no sooner than the following day. All nominations, including intra-day nominations, should be based on a daily quantity; thus an intra-day nominator need not submit an hourly nomination. Intra-day nominations should include an effective date and time. The interconnected parties should agree on the hourly flows of the intra-day nomination, if not otherwise addressed in the Service Agreement or Transporter's Tariff. All nominations, excluding intra-day nominations, have rollover options. Specifically, Shippers have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of Shipper's Service Agreement. Intra-day nominations do not rollover, nor do they replace the remainder of the standing nomination. There is no need to re-nominate if an intra-day nomination modifies an existing nomination. The total receipt nominations less the fuel reimbursement quantity must equal the equivalent thermal quantity of delivery nominations. Transactions to which different rates apply shall be nominated separately.

FERC Docket: RP97-144-006

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

Superseding: Original Sheet No. 18B

Firm Transportation Service - cont.

c. Transporter initiates confirmation of all nominations, with upstream and downstream parties with the caveat that Transporter may relieve the obligation of parties to send a confirmation. Confirmations that standard nominations have been received will be sent by Transporter to Shipper by 12:00 p.m.(CT) on the Day of nominations.

Transporter shall receive confirmations for standard nominations from upstream and downstream parties by  $3:30~\rm p.m.$  (CT) on the Day nominations are due.

d. For standard nominations, Transporter shall provide scheduled quantities to Shipper and point operator by 4:30 p.m. (CT) on the Day before gas flow. Transporter will schedule Type 1 intra-Day nominations after standard nominations have been scheduled.

For Type 1 nominations, Transporter will provide Shipper and point operator the scheduled quantities by 7:00 p.m. (CT) on the Day before gas flows. Type 2 intra-Day nominations will be processed on a first come, first served basis, after standard and Type 1 intra-Day nominations have been scheduled, for gas flow to begin no later than the start of the gas Day or four hours from the time of nominations. Each Day, Shipper may submit at least one (1) Type 1 or 2 intra-Day nominations.

At the end of each gas Day, Transporter shall make available to Shipper, information containing scheduled quantities, including scheduled intra-Day nominations and any other scheduling changes.

e. Subject to Transporter's General Terms and Conditions, Transporter shall receive from, transport for, and deliver to, or for the account of, Shipper the equivalent thermal quantity of gas nominated, less the fuel reimbursement quantity.

FERC Docket: CP92-203-005

Substitute Original Sheet No. 19 Substitute Original Sheet No. 19: Effective

Firm Transportation Service - cont.

- f. Provide contract numbers for both upstream and downstream parties, if known.
- g. Nominate to no more than one (1) delivery point or rate per transportation nomination.
- POSSESSION, TITLE AND WARRANTY OF GAS.
  - 7.1 Transporter shall be deemed to be in possession of the gas delivered by Shipper only from the time it is received by Transporter for transportation at the Point(s) of Receipt until it is delivered to Shipper, or for Shipper's account, at the Point(s) of Delivery as provided herein. Shipper shall be deemed to be in possession of such gas prior to such receipt and after such delivery. Transporter shall have no responsibility hereunder with respect to such gas before receipt by it or after delivery to Shipper, or for Shipper's account. Shipper shall have no responsibility with respect to such gas while it is deemed hereunder to be in Transporter's possession.
  - 7.2 It is expressly understood that Shipper shall hold title, or a contractual right to deliver all gas delivered for transportation hereunder. In no event shall Transporter take title to gas transported pursuant to this agreement except as provided for in the General Terms and Conditions and in this Rate Schedule.
  - 7.3 Shipper hereby warrants that gas delivered hereunder is free and clear of all liens, encumbrances, and claims whatsoever. Shipper agrees to indemnify and hold harmless Transporter against any loss or cost incurred by Transporter on account of such liens, encumbrances and claims whatsoever. Transporter warrants that at the time of delivery at the Point(s) of Delivery the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever resulting from Transporter's possession or transportation of gas pursuant to this Rate Schedule. Transporter agrees to indemnify and hold harmless Shipper against any loss or cost incurred by Shipper on account of liens, encumbrances or claims resulting from any possession or transportation by Transporter.

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Firm Transportation Service - cont.

8. GOVERNMENTAL AUTHORIZATIONS.

Transportation service under executed FT Service Agreements shall be implemented pursuant to FERC's Rules. The FT Service Agreement shall contain such additional language as specifically required by the FERC's applicable regulations.

9. GENERAL TERMS AND CONDITIONS.

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

Effective Date: 04/01/1993 Status: Effective FERC Docket: CP92-203-002

Original Sheet Nos. 21-23 Original Sheet Nos. 21-23 : Effective

Sheet Nos. 20 - 23 are reserved for future use.

FERC Docket: CP92-203-002

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

# INTERRUPTIBLE TRANSPORTATION SERVICE RATE SCHEDULE

## 1. AVAILABILITY.

This Rate Schedule is available for interruptible transportation of natural gas by K N Wattenberg Transmission Limited Liability Company ("Transporter") for any party ("Shipper"), when:

- 1.1 Shipper has elected to have gas transported under this Interruptible Transportation Rate Schedule.
- 1.2 Such transportation can be performed without any construction of facilities or other necessary investment by Transporter unless Transporter has waived in a nondiscriminatory manner this requirement in writing;
- 1.3 Shipper has executed a Service Agreement in the form contained in this Gas Tariff of which this Rate Schedule is a part;
- 1.4 The transportation service is to be implemented in accordance with Part 284 of the FERC regulations.
- 1.5 Transporter shall receive and deliver gas to Shipper as shown on the executed Service Agreement.

#### 2. APPLICABILITY AND CHARACTER OF SERVICE.

- 2.1 Transportation service hereunder shall include forward-haul, displacement, back-haul, and exchange service. The service will be on an interruptible basis, but subject to the General Terms and Conditions attached hereto.
- 2.2 Transporter shall not be required to perform service under this Rate Schedule on behalf of any Shipper that fails to comply with any and all of the terms of this Rate Schedule, with the terms of Shipper's executed Service Agreement with Transporter or with the provisions of Transporter's General

FERC Docket: CP92-203-005

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

Interruptible Transportation Service - continue

Terms and Conditions incorporated herewith; provided, Transporter shall give Shipper ten (10) days advance notice during which Shipper has an opportunity to come into compliance before Transporter exercises its rights under this Section.

- 2.3 Transporter shall receive from Shipper, or for the account of Shipper, at the "Receipt Point(s)" as specified in an executed IT Service Agreement daily quantities of gas tendered for transportation up to Shipper's Maximum Daily Transportation Quantity (MDTQ). Upon receipt of natural gas for Shipper's account, Transporter shall, after a reduction for the Fuel Reimbursement Quantity, transport and deliver for the account of Shipper the thermal equivalent of such gas at the "Delivery Point(s)" as specified in the Service Agreement. Transporter shall not be obligated to, but may at its option, on any day deliver a quantity of gas in excess of the applicable Maximum Daily Delivery Quantity (MDDQ).
- 2.4 Provided Transporter's prior consent is obtained, Shipper may tender quantities of gas in excess of the MDTQ on any day if in Transporter's reasonable judgment such tender and transportation of such gas can be accomplished by Transporter without detriment to any other Shipper under any of Transporter's rate schedules, and if such transportation is compatible with Transporter's system operation requirements.
- 2.5 To the extent service under this Rate Schedule is interrupted, such affected service under this Rate Schedule shall be reduced in accordance with Transporter's General Terms and Conditions.
- 2.6 Such interruptible service shall be provided only to the extent capacity is available after Transporter has provided service to its firm customers and those interruptible customers with higher priority.

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Interruptible Transportation Service - continue

## 2.7 ADDITIONAL FACILITIES.

- a. Transporter shall not be obligated to add any facilities or expand the capacity of Transporter's pipeline system in any manner in order to provide transportation service to Shipper pursuant to this Rate Schedule; however, Transporter is willing to add facilities whenever such is deemed, in Transporter's reasonable judgment, to be economically, operationally, and technically feasible, subject to the following conditions:
  - (1) Transporter has received an executed revised service agreement(s) from existing and prospective Shipper's requesting such additional facilities;
  - (2) Transporter and Shipper enter into a facilities agreement which is subject to the provisions of this Tariff;
  - (3) The nature, extent and timing of facilities required shall be at the reasonable discretion of Transporter;
  - (4) Transporter receives acceptable assurances of financial reliability from any Shipper requesting additional capacity.
- b. When Transporter in its reasonable discretion agrees with Shipper to construct or acquire new facilities, including compression facilities, in order to provide service to Shipper, Transporter may require Shipper:
  - (1) To make a facilities reimbursement payment, including a gross-up for applicable state and federal income tax expense associated with such facilities;

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Interruptible Transportation Service - continue

- (2) To agree to a reimbursement schedule setting the terms, the rate, and the conditions for reimbursement of the additional facility charge, including an obligation to reimburse Transporter, upon demand, for any unamortized capital charges, under an agreed upon amortization schedule, which may remain if service by Transporter to Shipper under this rate schedule is terminated prior to the end of said amortization period.
- c. If Transporter, in its reasonable discretion, agrees in writing that Shipper can satisfactorily install, operate and maintain any measuring equipment which Shipper desires to install, maintain, or operate pursuant to the specifications set forth in the General Terms and Conditions of Transporter's Tariff, Transporter shall not be obligated to install such measuring equipment and Shipper shall be relieved of any obligation to reimburse Transporter for the costs related thereto. If Shipper measures the gas, Shipper shall send to Transporter in writing the readings and dates from such measuring equipment by the 5th day of the next succeeding month.
- 3. REQUIREMENTS FOR INTERRUPTIBLE SERVICE AGREEMENT.
  - 3.1 REQUEST. All Shippers requesting interruptible transportation service must provide the information required by this section and by Transporter's Transportation Service Request Form included in this Tariff, in order to qualify for interruptible transportation service under this Rate Schedule. Transporter shall not be required to perform service under this Rate Schedule in the event all facilities necessary to render the requested service do not exist at the time the request is made. No request for interruptible service will be entered on Transporter's log until all such information and a completed Transportation Request Form has been provided to Transporter.

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Interruptible Transportation Service - continue

All completed Transportation Service Request Forms are to be sent to:

K N Wattenberg Transmission Limited Liability Company P.O. Box 281304 Lakewood, Colorado 80228-8304

Attention: Marketing and Transportation Department

Any request shall include the following:

- a. COMPLETE LEGAL NAME OF SHIPPER. If person requesting service is acting as agent for Shipper, all information as set forth in a. through c. must be provided with respect to Shipper.
- b. INFORMATION REGARDING COMMUNICATION. Name, address and telephone number to whom correspondence, billings, or other communications should be directed. State name, address and phone number of twenty-four (24) hour contact person for purposes of exchanging scheduling and volume information.
- c. TYPE OF COMPANY. State type of legal entity and state of incorporation, if applicable. Specify whether a local distribution company, intrastate pipeline, interstate pipeline, producer, end-user, marketer, broker or other. If other, describe in detail.
- d. AGENCY INFORMATION. If requestor is an agent for Shipper, provide proof of authority, legal name of principal, and type of company.
- e. TYPE OF SERVICE REQUESTED. Whether requested service is firm or interruptible.
- f. GAS QUANTITIES. The desired Maximum Daily Transportation Quantity (MDTQ).

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Interruptible Transportation Service - continue

- g. TERM. The proposed commencement and termination dates of service; provided however, the proposed commencement date shall not be more than ninety (90) days from the date of the request for transportation hereunder unless further time is necessitated by Transporter's construction of facilities.
- h. FACILITIES. Whether any additional or new facilities are required to receive or deliver gas for the transportation service requested herein.
- i. RECEIPT POINTS. The Master Receipt Point List and any other designated Receipt Point(s) for the requested transportation with the names of any pipelines transporting the gas immediately upstream of Transporter's facilities. The Receipt Point(s) requested by Shipper must be acceptable to Transporter with regard to adequacy of the physical facilities to receive and transport the quantity requested. Transporter's firm service receipts will take precedence over requested interruptible transportation receipts.
- j. DELIVERY POINTS. The designated Delivery Point(s) for the requested transportation and the state(s) in which the gas will be consumed (affiliate transactions only).

The Delivery Point(s) requested by Shipper must be acceptable to Transporter from the viewpoint of adequacy of Transporter's existing facilities to transport and deliver Shipper's gas.

- k. AFFILIATE INFORMATION. The extent of Shipper's, end user's, or supplier's affiliation with Transporter.
- 1. CREDIT INFORMATION.
  - (1) A copy of Shipper's most recent audited financial statements or, at Transporter's option, a bank reference satisfactory to Transporter;

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Interruptible Transportation Service - continue

- (2) A copy of Shipper's most recent Annual Report and 10-K Form, if applicable.
- (3) A completed Credit Application Form.
- 3.2 EXECUTION. A Service Agreement shall be executed by Shipper within thirty (30) days of being tendered by Transporter following Transporter's acceptance of Shipper's request for service.
- 3.3 FILING FEES. Any and all filing and approval fees required in connection with Shipper's Service Agreement that Transporter is obligated to pay to the FERC or any other governmental authority having jurisdiction shall be billed to Shipper. Any fees recovered hereunder will not be included in Transporter's cost of service.
- 3.4 REIMBURSEMENT. Any reimbursement due Transporter by Shipper pursuant to this section shall be due and payable to Transporter within thirteen (13) days of the postmark date of Transporter's invoice(s) for same.

## 4. RATES.

- 4.1 MAXIMUM AND MINIMUM RATES. The applicable maximum and minimum unit rates for interruptible transportation service are set forth in the currently effective Schedule of Rates. The applicable unit rate under this Rate Schedule shall be a rate not in excess of the maximum unit rate nor less than the minimum unit rate. Transporter may adjust these rates on a non-discriminatory basis within this range. Transporter will charge the maximum rate unless otherwise agreed to in writing with Shipper.
- 4.2 MONTHLY BILL. Commencing for the month in which the IT Service Agreement is effective and each month thereafter, Transporter shall charge and Shipper shall pay Transporter the following amounts:

FERC Docket: RP97-144-001

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

Interruptible Transportation Service - continue

- a. COMMODITY CHARGE. The applicable unit commodity rate set forth in the currently effective Rate Schedule multiplied by the volume in Dth of gas delivered by Transporter in the month at the Delivery Point(s).
- 4.3 Transporter shall not be required to perform or to continue to perform services under this Rate Schedule on behalf of any Shipper that has applied for bankruptcy under Chapters 7 or 11 of the Bankruptcy Code or on behalf of any Shipper who has an uncontested unpaid bill over sixty (60) days overdue; provided, however, that Transporter will not terminate service to a bankrupt customer in a manner that is inconsistent with the Federal Bankruptcy Code, and provided further, that Transporter will not terminate service for non-payment without first providing appropriate written notice, as set forth in the General Terms and Conditions of Transporter's tariff. Such Shipper may receive service under this Rate Schedule if said Shipper prepays for such service or, upon fifteen (15) days notice from Transporter, furnishes good and sufficient surety bond, or other good and sufficient security of a continuing nature and in an amount equal to the cost of performing the transportation service requested by or provided to Shipper under this Rate Schedule for a three month period.

#### BALANCING.

- 5.1 Thermal balancing of transportation receipts and deliveries is the responsibility of the Shipper. The Transporter will provide to the Shipper a monthly Statement of Gas Transported which will notify the Shipper of each month's beginning cumulative imbalance, activity, and ending cumulative imbalance. Imbalances are to be minimized and are subject to the terms and conditions of this Tariff.
- 5.2 OVERRECEIPTS. An overreceipt occurs when the Dth received into the Transporter's system (net of Fuel Reimbursement) is in excess of the Dth redelivered to the Shipper's designated location(s).

FERC Docket: RP97-144-001

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Interruptible Transportation Service - continued

- 5.3 SETTLEMENT OF OVERRECEIPT IMBALANCE.
  - a. A month-end overreceipt imbalance in excess of 3,000 Dth shall be reduced to an imbalance of 3,000 Dth or less as of one of the three ensuing month-ends. If the Shipper does not meet this schedule, the Transporter may, as of the third ensuing month-end, in its reasonable discretion, take appropriate action to reduce the imbalance to 3,000 Dth . Such action may include retention by Transporter of volumes in excess of 3,000 Dth or refusal by Transporter to accept additional volumes from Shipper into the system.
  - b. At the third ensuing month-end, if an overreceipt imbalance has not been reduced below 3,000 Dth, then Transporter may purchase the excess at 70% of CIG's Index Price (in Dth) for gas received into its pipeline from Rocky Mountain sources for the month in which the imbalance occurred, as published in Inside FERC Gas Market Report, or any successor publication.
- 5.4 OVERDELIVERIES. An overdelivery occurs when the Dth redelivered to the Shipper's designated location(s) is in excess of the Dth received into the Transporter's system (net of Fuel Reimbursement).
- 5.5 SETTLEMENT OF OVERDELIVERIES IMBALANCE. A month-end overdelivery imbalance in excess of 3,000 Dth shall be reduced to an imbalance of 3,000 Dth or less as of one of the three ensuing month-ends. If the Shipper does not meet this schedule, the Transporter may either (1) reduce deliveries or(2) bill the Shipper for the overdelivery based on 130% of CIG's Index Price(in Dth) for gas received into its pipeline from Rocky Mountain sources for the month in which the imbalance occurred, as published in Inside FERC Gas Market Report or any successor publication. This overdelivery billing shall be in addition to the transportation charge made for al delivered volumes.

FERC Docket: RP97-144-006

Second Revised Sheet No. 33 Second Revised Sheet No. 33: Effective

Superseding: First Revised Sheet No. 33

Interruptible Transportation Service - continued

5.6 TERMINATION. Any imbalance remaining at the termination of a Transportation Service Agreement shall be resolved within sixty days of such termination by appropriate deliveries by the Transporter, or by appropriate receipts by the Transporter or by payment as set out above.

- 5.7 FORCE MAJEURE OCCURRENCE. In the event of a force majeure occurrence as defined in the General Terms and Conditions ofTransporter's Tariff, Shipper shall not be relieved from its obligation to make payment of amounts then due or which become due hereunder. If Shipper's obligation to pay a balancing penalty under this rate schedule is a direct consequence of an imbalance which occurs as a result of Transporter's force majeure on Transporter's system as defined in the General Terms and Conditions of Transporter's Tariff, such Shipper shall be relieved of such imbalance penalties.
- 6. SCHEDULING OF RECEIPTS AND DELIVERIES.
  - 6.1 NOMINATIONS. If Shipper desires transportation of gas on any day under this Rate Schedule, Shipper shall comply with the following nomination procedures. Any nomination received after a nomination deadline shall be scheduled after nominations received before that nomination deadline. The standard quantity for nominations, confirmations and scheduling is dekatherms per gas day. The standard conversion factor between dekatherms and Gigajoules will be 1.055056 Gigajoules per decatherm. All nominations must be submitted electronically or in written form.
    - a. A standard nomination shall be those nominations submitted by Shipper to Transporter's Transportation Administration Section by 11:30 a.m.(CT) on the day prior to the first gas day (9:00 a.m. CT) on which Shipper desires transportation.

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First Revised Sheet No. 33A First Revised Sheet No. 33A: Effective

Superseding: Original Sheet No. 33A

Interruptible Transportation Service - continued

Transporter must receive nomination by 11:45 a.m. (CT) the day before gas flow. Type 1 nominations shall be those nominations submitted by Shipper after 11:30 a.m. (CT) the day before gas flow but before 4:30 p.m. (CT). Type 2 intra-day nominations shall be those nominations submitted by Shipper after 4:30 p.m. (CT) the day before gas flow but before 1:00 p.m. (CT) on the day of gas flow. Type 1 or 2 Intra-day nominations may be used to request increases or decreases in total flow, changes to receipt points or changes to delivery points of scheduled gas. Any nomination received after 1:00 p.m. (CT) on the day of flow shall be processed and scheduled on a reasonable efforts basis.

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Second Revised Sheet No. 34 Second Revised Sheet No. 34: Effective

Superseding: First Revised Sheet No. 34

- Shipper shall include in the nomination the daily quantity of gas to be received by Transporter (including Shipper's transportation volumes and Btu levels, daily overrun volumes which may be nominated as a separate transaction, any daily volumes to satisfy past imbalances, and fuel reimbursement quantities for volumes at each specified Receipt Point), Shipper defined begining and ending dates, and the daily quantity to be delivered by Transporter at each specified delivery point for the gas day to commence at 9:00 a.m.(CT) of the desired day, but no sooner than the following day. All nominations, including intra-day nominations, should be based on a daily quantity; thus, an intra-day nominator need not submit an hourly nomination. Intra-day nominations should include an effective date and time. The interconnected parties should agree on the hourly flow of the intra-day nomination, if not otherwise addressed in the Service Agreement or Transporter's Tariff. All nominations, excluding intraday nominations, have rollover options. Specifically, Shippers have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of the Shipper's Service Agreement. Intra-day nominations do not rollover, nor do they replace the remainder of a standing nomination. There is no need to re-nominate if an intra-day nomination modifies an existing nomination. The total receipt nominations less the fuel reimbursement quantity must equal the equivalent thermal quantity of delivery nominations. Transactions to which different rates apply shall be nominated separately.
- c. Transporter initiates confirmation of all nominations with upstream and downstream parties with the caveat that the Transporter may relieve the obligation of parties to send confirmation.

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First Revised Sheet No. 34A First Revised Sheet No. 34A: Effective

Superseding: Original Sheet No. 34A

Confirmation that standard nominations have been received will be sent by Transporter to Shipper by 12:00 p.m. (CT) on the day nominations are due. Transporter shall receive confirmations for standard nominations from upstream and downstream parties by 3:30 p.m. (CT) on the day nominations are due.

d. For standard nominations, Transporter shall provide scheduled quantities to the Shipper and point operator by 4:30 p.m. (CT) on the day before gas flow. Transporter will schedule Type 1 intra-day nominations after standard nominations have been scheduled.

At the end of each gas day, Transporter shall make available to Shipper, information containing scheduled quantities, including scheduled intra-day nominations, and any other scheduling changes. For Type 1 nominations, Transporter will provide Shipper and point operator the scheduled quantities by 7:00 p.m. (CT) on the day before gas flow. Type 2 intra-day nominations will be processed on a first come, first served basis, after standard and Type 1 intra-day nominations have been scheduled, for gas flow to begin no later than the start of the gas day or four hours from the time of nominations. Each day, Shipper may submit at least one (1) Type 1 or Type 2 intra-day nomination.

- e. Subject to Transporter's General Terms and Conditions, Transporter shall receive from, transport for, and deliver to, or for the account of, Shipper the equivalent thermal quantity of gas nominated, less the fuel reimbursement quantity.
- f. Provide contract numbers for both upstream and downstream parties, if known.
- g. Nominate to no more than one (1) delivery point or rate per transportation nomination.

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Substitute Original Sheet No. 35 Substitute Original Sheet No. 35: Effective

Interruptible Transportation Service - continue

- 7. POSSESSION, TITLE AND WARRANTY OF GAS.
  - 7.1 Transporter shall be deemed to be in possession of the gas delivered by Shipper only from the time it is received by Transporter for transportation at the Point(s) of Receipt until it is delivered to Shipper, or for Shipper's account, at the Point(s) of Delivery as provided herein. Shipper shall be deemed to be in possession of such gas prior to such receipt and after such delivery. Transporter shall have no responsibility hereunder with respect to such gas before receipt by it or after delivery to Shipper, or for Shipper's account. Shipper shall have no responsibility with respect to such gas while it is deemed hereunder to be in Transporter's possession.
  - 7.2 It is expressly understood Shipper shall hold title, or a contractual right to deliver all gas delivered for transportation hereunder. In no event shall Transporter take title to gas transported pursuant to this agreement except as provided for in the General Terms and Conditions, and in this Rate Schedule.
  - 7.3 Shipper hereby warrants that gas delivered to Transporter hereunder is free and clear of all liens, encumbrances, and claims whatsoever. Shipper agrees to indemnify and hold harmless Transporter against any loss or cost incurred by Transporter on account of such liens, encumbrances and claims whatsoever. Transporter warrants that at the time of delivery at the Point(s) of Delivery the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever resulting from Transporter's possession or transportation of gas pursuant to this Rate Schedule. Transporter agrees to indemnify and hold harmless Shipper against any loss or cost incurred by Shipper on account of liens, encumbrances or claims resulting from any possession or transportation by Transporter.

FERC Docket: CP92-203-002

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

Interruptible Transportation Service - continue

8. GOVERNMENTAL AUTHORIZATIONS.

Transportation service under executed IT Service Agreements shall be implemented pursuant to FERC Rules. The IT Service Agreement shall contain such additional language as specifically required by the FERC's applicable regulations.

9. GENERAL TERMS AND CONDITIONS.

The applicable General Terms and Conditions of this Tariff are hereby made a part of this Rate Schedule. To the extent that the General Terms and Conditions are inconsistent with the provisions of this Rate Schedule, the provisions of this Rate Schedule shall govern.

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Original Sheet Nos. 37-39 Original Sheet Nos. 37-39 : Effective

Sheet Nos. 37 - 39 are reserved for future use.

FERC Docket: RP97-144-009

Second Revised Sheet No. 40 Second Revised Sheet No. 40: Effective

Superseding: First Revised Sheet No. 40

GENERAL TERMS AND CONDITIONS

#### 1. APPLICATION.

The following General Terms and Conditions apply to the extent indicated and to the extent not superseded by inconsistent provisions in each of Transporter's rate schedules covering firm and interruptible transportation services subject to the jurisdiction of the Federal Energy Regulatory Commission.

# DEFINITIONS.

The following terms shall have the meanings defined below:

- a. "Approved Daily Nomination" is that Dth of gas which Transporter's Transportation Administration Section has approved to be transported on a particular day.
- b. "Balance" and "Balancing" means the Shipper's obligation to cause deliveries to equal receipts, with due consideration given to Fuel Reimbursement Quantities.
- c. "British Thermal Unit" (Btu) The amount of energy required to increase the temperature of one (1) pound of water one (1) degree Fahrenheit at sixty (60) degrees Fahrenheit. The standard Btu is the International Btu, which is also called the Btu (IT); the standard joule is the joule specified in the SI system of units.
- d. "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S., and similar holidays for transactions occurring in Canada and Mexico.
- e. "Capacity" means the maximum gas volume which any particular segment of the Transporter's system is payable of carrying under then current operating conditions.

FERC Docket: RP97-144-009

Second Revised Sheet No. 41 Second Revised Sheet No. 41: Effective

Superseding: First Revised Sheet No. 41

General Terms and Conditions - continued

f. "Commission" shall mean the Federal Energy Regulatory Commission (FERC) and any other governmental body or bodies succeeding to, lawfully exercising, or superseding any powers of the FERC.

- g. "Commodity Charge" means that portion of the amount to be paid monthly by the Shipper for service which is based upon the quantity of gas delivered at Shipper's Delivery Points.
- h. "Company-used Gas" means the quantity of gas consumed by the Company for purposes of its gas operations.
- I. "CT" means central o'clock time.
- j. "Cubic Foot of Gas" is the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under an absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch.
- k. "Daily Metering" means if directed by the Transporter, the Shipper shall read the Transporter's gas meter each day at the time specified by the Contract and report such reading to the Transporter.
- "Day" A period of twenty-four (24) consecutive hours beginning and ending at nine (9:00) o'clock a.m.(CT).
- m. "Dekatherm" or "Dth" means the quantity of gas containing one million (1,000,000) Btu's. The standard quantity for nominations, confirmations and scheduling shall be dekatherms per gas day.
- n. "FERC" means the Federal Energy Regulatory Commission.

FERC Docket: RP97-144-009

First Revised Sheet No. 41A First Revised Sheet No. 41A: Effective

Superseding: Original Sheet No. 41A

General Terms and Conditions - continued

- o. "Fuel Reimbursement Quantity" is that portion of Shipper's natural gas received by Transporter for transportation hereunder which is retained by Transporter as compensation for company-used gas and lost and unaccounted for gas. The Fuel Reimbursement Quantity is stated as a percentage of the natural gas delivered by Shipper at the Point(s) of Receipt. Title to Fuel Reimbursement Quantity shall rest in Transporter upon receipt at the Receipt Point(s) at no cost, and free and clear of all adverse claims.
- p. "Gas" or "Natural Gas" is any mixture of hydrocarbons or of hydrocarbons and non-combustible gas, in a gaseous state, consisting essentially of methane.

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First Revised Sheet No. 42 First Revised Sheet No. 42 : Effective

Superseding: Original Sheet No. 42

General Terms and Conditions - continued

- q. "Gross Dry Heating Value" is the number of Btus produced by complete combustion, at a constant pressure, of the amount of gas which would occupy a volume of 1 cubic foot at a temperature of 60 degrees Fahrenheit on a water-free basis and at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion has condensed to the liquid state.
- r. "Imbalance" shall mean the difference between the Dth of transportation gas received by the Transporter for the Shipper's account and the Dth of transportation gas delivered by the Transporter to the Shipper or for the Shipper's account at the Shipper's Delivery Point, with due regard given to Fuel Reimbursement.
- s. "Interruptible" means that Transporter has the right to stop, in whole or in part, receipt, transportation, or delivery of natural gas at any time. Transporter shall provide as much advance notice as is practical to, Shipper, except as may otherwise be specifically provided for in this Tariff.
- t. "Interruption" or "reduction" means the Transporter's inability to provide transportation to a transportation customer due to force majeure or constraints on the pipeline system.
- "Intra-day Nomination" shall mean a nomination submitted after the nomination deadline whose effective time is no earlier than the beginning of the gas day and runs through the end of that gas day.

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Original Sheet No. 42A Original Sheet No. 42A: Effective

General Terms and Conditions - continued

v. "Lost and Unaccounted-For Gas" means the difference between the sum of all input quantities of gas received into the Transporter's system and the sum all output quantities of gas delivered from the Transporter's system, which difference shall exclude Transporter-used gas and shall include, but not be limited to, gas vented and lost as a result of an event of force majeure.

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First Revised Sheet No. 43 First Revised Sheet No. 43: Effective

Superseding: Original Sheet No. 43

General Terms and Conditions - continued

w. "Maximum Daily Delivery Quantity" (at individual delivery point(s) ("MDDQ") means the maximum quantity of natural gas which Shipper is entitled to receive on any day at a particular delivery point specified in the executed Transportation Service Agreement, should capacity be available.

- x. "Maximum Daily Receipt Quantity" ("MDRQ") means the maximum quantity of natural gas which Shipper is entitled to tender at an individual receipt point on any day.
- y. "Maximum Daily Transportation Quantity" ("MDTQ") is the maximum quantity of natural gas in Dth which Shipper is entitled to tender on any day for the account of Shipper at all Receipt Point(s) should capacity be available. The MDTQ shall include the applicable Fuel Reimbursement Quantity.
- z. "MMBtu" is one million (1,000,000) British thermal units and is equivalent to one (1) dekatherm.
- aa. "Month" A period beginning at nine (9:00) o'clock a.m., (CT), or at such other hour as Shipper and Transporter have agreed upon, on the first day of the calendar month and ending at the same time on the first day of the next month.
- ab. "Monthly Billing Period" is the calendar month.
- ac. "Party" means Shipper or Transporter.
- ad. "Point of Delivery" or "Delivery Point" The point at which the gas leaves the outlet side of the measuring equipment of Transporter and enters the facility of another party or other agreed upon point.

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First Revised Sheet No. 44 First Revised Sheet No. 44 : Effective

Superseding: Original Sheet No. 44

General Terms and Conditions - continued

- ae. "Pooling" shall mean 1) the aggregation of gas from multiple physical and/or logical points to the single physical or logical point, and/or 2) the dis-aggregation of gas from a single physical or logical point to multiple physical and/or logical points.
- af. "p.s.i.a." means pounds per square inch
  absolute.
- ag. "p.s.i.g." means pounds per square inch gauge.
- ah. "Point of Receipt" or "Receipt Point" means
   the point(s) at which the gas leaves the
   outlet side of the measuring equipment of
   Shipper and enters the Facility of
   Transporter, or other agreed upon point.
- ai. "Service Agreement" shall mean a written agreement, providing for gas transportation service, which is executed by Transporter and the Shipper, and any exhibits, attachments, and/or amendments thereto.
- aj. "Total Energy Content" is that amount determined by multiplying the gross dry heating value by the volume of gas in cubic feet.
- ak. "Transportation" means movement of gas from the receipt point to the delivery point. Transportation does not include gathering, processing or storage.
- al. "Year" is a period of three hundred sixty-five (365) days commencing and ending at nine (9:00) o'clock a.m. Mountain Time, provided that any year which contains the date of February 29 shall consist of three hundred sixty-six (366) days.

# 3. QUALITY.

a. Natural gas to be delivered by Transporter shall be of merchantable quality unless otherwise specified.

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- b. Unless otherwise agreed in the Service Agreement, gas tendered to Transporter at each Point of Receipt shall comply with the following quality specifications:
  - (1) At a base pressure of 14.73 p.s.i.a. and a base temperature of 60 degrees Fahrenheit, such gas shall not contain more than:

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- (a) 1/4 grain of hydrogen sulphide per 100 cubic feet;
- (b) 5 grains of total sulphur per 100 cubic feet;
- (c) 1 grain of mercaptans per 100 cubic feet;
- (d) 2.0 percent by volume of carbon dioxide;
- (e) 6 pounds of water vapor per million cubic feet;
- (f) 10 parts per million (0.001 percent) by volume of oxygen; and
- (2) Such gas shall be commercial in quality and shall be free from any foreign material such as solids, sand, dirt, dust, gums, crude oil, water or hydrocarbons in the liquid phase, iron particles, and other objectionable substances which may be injurious to pipelines or which may interfere with its transportation or commercial utilization.
- (3) At a base pressure of 14.73 p.s,i.a., the Gross Saturated Heating Value of such gas shall not be less than 950 BTUs nor more than 1400 BTUs per cubic foot.
- (4) The temperature of such gas shall not exceed 120 degrees Fahrenheit. However, if Transporter is required to dehydrate the gas at the Point(s) of Receipt, then the temperature of such gas shall not exceed 90 degrees Fahrenheit.

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# 3.1 QUALITY TESTING.

- a. The Party operating the measuring equipment, shall use approved standard methods in general use in the gas industry and shall cause adequate tests to be made to determine the quality of the gas delivered hereunder. Such tests shall be made frequently enough to insure that the gas conforms to the specifications hereof.
- b. If gas tendered to Transporter fails to meet the specifications of this Tariff, the measuring Party shall notify the other Party of such failure. The receiving Party may refuse to accept such gas. The Party tendering non-specification gas hereunder shall indemnify the receiving Party for any injury, damage, loss, or liability caused by the delivery of such gas, except to the extent the receiving Party knowingly and willingly accepts such non-specification gas.

#### MEASUREMENTS.

- a. The unit of volume for the purpose of measurement and for the determination of total heating value shall be the cubic foot of gas as defined in this Tariff. Volumes of gas measured at prevailing meter pressures and temperatures shall be corrected to the unit of volume defined above by the procedures described below:
  - (1) Orifice Meters: Installation and the determination of volumes delivered through orifice meters shall conform to the recommendations in "Gas Measurement Committee Report Number Three" of the American Gas Association as amended, revised or superseded from time to time. Values of the orifice thermal expansion factor, manometer factor and gauge location factor shall be assumed to be unity.

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- (2) Turbine Meters: Installation and the determination of volumes delivered through turbine meters shall conform to the recommendations in "Transmission Measurement Committee Report Number Seven" of the American Gas Association as amended, revised or superseded from time to time.
- (3) Positive Displacement Meters: Installation and the determination of volumes delivered shall conform to the recommendations in "Gas Measurement Manual Displacement Measurement Part Number Two" of the American Gas Association as amended, revised or superseded from time to time.
- b. The atmospheric pressure shall be the average atmospheric pressure as determined by elevation at the Points of Delivery and Receipt. For the Wattenberg System, this pressure shall be assumed to be 12.2 psia.
- c. The volume of gas delivered through each Point of Delivery and Receipt shall be corrected to a base temperature of sixty (60) degrees Fahrenheit by using:
  - (1) The arithmetic average of the hourly temperatures recorded by a properly installed continuously operated recording thermometer; or
  - (2) A meter containing a temperature operated device, hereinafter referred to as a temperature compensated meter, through the operation of which the meter correctly registers the volume, corrected to sixty (60) degrees Fahrenheit; or
  - (3) An assumed temperature of the gas flowing through the meters of fifty (50) degrees Fahrenheit in the case of any small volume receipt or delivery where Transporter does not elect to install a recording thermometer or temperature compensated

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meter. However, in the event Transporter does not install a recording thermometer or temperature compensated meter, Shipper may install a recording thermometer and in such case the temperature so recorded shall be used in correcting to a temperature of sixty (60) degrees Fahrenheit.

- (4) When orifice meters are used, the specific gravity of the gas delivered hereunder shall be determined by approved methods once a month, or as frequently as necessary for reasonably accurate determination, and the specific gravity so obtained shall be used in computing volumes of gas delivered hereunder.
- d. The components for determining the deviation from Boyle's Law, at the pressure and temperature under which delivered, shall be determined by tests at intervals of twelve (12) months or at such shorter interval as is found necessary. The correction factor determined by using American Gas Association "Report Number Eight" or American Gas Association "Project NX-19" shall be used in the computation of deliveries until the next test.
- e. The heating value of the gas delivered shall be determined by approved recording calorimeters, gas samples or chromatographs installed by Transporter at points on Transporter's system in specified areas.
- MEASURING EQUIPMENT.
  - a. Transporter agrees to install, operate and maintain on its pipeline at or near each point of connection of the facilities of Transporter and Shipper (or another party which is transporting the gas on behalf of Shipper), a meter or meters of standard type and design to measure all of the gas to be delivered hereunder. Transporter also agrees to install, operate and maintain at or near each Point of Delivery such pressure regulating equipment as may be necessary.

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- b. Shipper may install, operate and maintain, at its own expense, check measuring equipment as it shall desire, provided that check meters and equipment shall be installed as not to interfere with the operation of Transporter's meters at or near the Point of Delivery. Transporter shall have access to check measuring equipment at all reasonable hours but the reading, calibrating and adjusting thereof and changing of charts shall be done only by Shipper.
- c. Both Transporter and Shipper shall have the right to be represented at any installing, reading, cleaning, changing, repairing, inspecting, calibrating or adjusting done in connection with the other's measuring equipment installed hereunder. The records from such measuring equipment shall remain the property of the owner but the owner upon request of the other will submit records and charts, together with calculations therefrom, for its inspection and verification, subject to return within ten (10) days after receipt.

# 6. METER TESTS AND ADJUSTMENTS.

- a. Transporter shall test its meters at reasonable intervals in the presence of Shipper's representatives, if Shipper so elects. Shipper at its sole expense may have tests or calibrations of Transporter's meters made at reasonable times in the presence of Transporter's representatives.
  - (1) If, upon any test, measuring equipment is found to be not more than two (2) percent fast or slow, previous readings of such equipment shall be considered correct in computing deliveries of gas; the equipment shall be properly adjusted at once to record accurately.

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- (2) If, upon any test, any measuring equipment shall be found to be inaccurate by an amount exceeding two (2) percent, then any previous readings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon. In case the period is not known definitely or agreed upon, such adjustment shall be for a period extending over one-half of the time elapsed since the date of last test but not exceeding a correction period of thirty (30) days.
- b. If for any reason Transporter's meters are out of service or out of repair so that the quantity of gas delivered is not correctly indicated by the reading thereof, the gas delivered during the period such meters are out of service or out of repair shall be estimated and agreed upon on the basis of the best data available, using the first of the following methods which shall be feasible:
  - By using the registration of any check meter or meters if installed and accurately registering;
  - (2) By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or
  - (3) By estimating the quantity of delivery based on deliveries during preceding period under similar conditions when the meter was registering accurately.
- c. If Transporter institutes a new method or technique of gas measurement, such as electronic metering, such new method or technique may be substituted by Transporter in exercise of its reasonable judgment. Transporter shall promptly inform Shipper of any such new technique adopted and the date of its implementation.

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#### 7. BILLING.

- a. Transporter shall prepare the invoice on or before the ninth business day after the end of the production month. When information necessary for billing purposes is in the control of Shipper, such information shall be delivered to Transporter by Shipper on or before the fifth day of the month following the month in which service was provided. An imbalance statement will be rendered prior to or with the invoice. Rendered is defined as postmarked, time-stamped, and delivered to the designated site.
- b. Both Transporter and Shipper have the right to examine at reasonable times those books, 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.
- c. Each Month Transporter shall invoice Shipper for any penalties which may be applicable. Shipper shall pay Transporter such charges within 20 days of the invoice date except where otherwise specified in a rate schedule.
- d. If the Shipper has service agreements in effect with Transporter for both firm and interruptible transportation service, then any gas volumes transported by Transporter for Shipper shall first be billed and accounted for as firm transportation gas under Rate Schedule FT up to Shipper's MDTQ on a daily basis. Any gas volumes transported by Transporter in excess of such Shipper's MDTQ on a daily basis shall be billed and accounted for as interruptible transportation gas under Rate Schedule IT.
- e. Any gas volumes transported by Transporter in excess of Shipper's firm MDTQ on a daily basis shall be deemed as interruptible transportation and billed at the maximum interruptible transportation rate.

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Transporter shall estimate missing or late measurement data. The measuring party shall provide the estimate. When actual data is acquired, it shall be treated as a prior period adjustment. Measurement data corrections should be processed within six months of the production month with a three month rebuttal period. This standard shall not apply in the case of deliberate omission or  $% \left\{ 1\right\} =\left\{ 1$ misrepresentation or mutual mistake of fact. Parties other statutory or contractual rights shall not otherwise be diminished by this provision. Measurement prior period adjustments shall be taken back to the production month. A meter adjustment becomes a prior period adjustment after the fifth business day following the business month. Measurement data corrections should be processed within six months of the production month with a three month rebuttal period.

g. Prior period adjustments time limits should be made within six months from the date of the initial transportation invoice and seven months from the date of the initial sales invoice with a three month rebuttal period, excluding government required rate changes. These standards shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties other statutory or contractual rights shall not otherwise be diminished by this provision.

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#### 8. PAYMENTS.

- a. Shipper shall pay to Transporter at its designated office within thirteen (13) days of the invoice date for the natural gas delivered by Transporter as billed by Transporter in the invoice for said month.
- b. Any payments received shall first be applied to accrued interest, then to penalties due, then to the previously outstanding principal due, and lastly, to the most current principal due.
- c. Unpaid and Disputed Invoices. If the invoice is in dispute, the Shipper shall pay the portion not in dispute and provide documentation identifying the basis for the dispute. The time limitation for disputes of allocations should be six months from the date of the initial month end allocation with a three month rebuttal period. This paragraph shall not apply in the case of deliberate omission or misrepresentation or mutual mistake of fact. Parties other statutory or contractual rights shall not otherwise be diminished by this paragraph.

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9. OPERATIONS BY SHIPPER AND TRANSPORTER.

- a. Upon request, Shipper shall furnish toTransporter, as far in advance as operations permit, estimates of the expected, daily, monthly and annual quantities of natural gas required by Shipper.
- b. Each Party shall use reasonable efforts to deliver, or cause to be delivered, gas at reasonably uniform hourly and daily rates of flow. However, either Party may request the other to change the rates of delivery or receipt. The Party requested to make such changes will do so to the extent that it can without adversely affecting its deliveries of gas to any other customer.
- c. Transporter shall deliver volumes for Shipper's account concurrently with the receipt of Receipt Volumes to the extent practicable. The Parties recognize that they may be unable to control exactly the quantities of gas received and delivered on any day and that the quantities received by Transporter may vary from the

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quantities delivered on any day. Variations shall be kept to the minimum and shall be balanced as soon as practicable. Transporter shall be under no obligation to accept from Shipper more gas at any Receipt Point than has been nominated by such Shipper for the Receipt Point for that day.

# 10. IMBALANCES.

Transporter is not responsible for eliminating any imbalances in volumes between Shipper and any third party, including imbalances between local distribution companies and specific end users. Transporter is not obligated to deviate from its standard operating and accounting procedures in order to reduce or eliminate any such third party imbalances. No imbalance penalty shall be imposed when a prior period adjustment applied to the current period causes or increases a current month penalty.

# 11. DELIVERY.

Any transportation gas delivered by Transporter, which is designated by either Transporter or Shipper as gas to satisfy past imbalances, shall be deemed first gas through the meter relative to other transportation gas delivered by Transporter.

# 12. RECEIPTS.

If Transporter receives gas from Shipper at a Point of Receipt through which transportation quantities are being received, all firm transportation quantities will be deemed first through the meter and all interruptible transportation quantities will be deemed second through the meter.

# 13. POSSESSION OF GAS.

Shipper shall be in exclusive control and possession of the gas until such has been received at the Point(s) of Receipt.

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- b. Transporter shall be in control and possession of the gas received from Shipper hereunder and is responsible for any damage or injury caused thereby until the same has been delivered at the Point(s) of Delivery. The Point(s) of Delivery of the gas is specified to be the point of division of responsibility between the parties. Thereafter, sole responsibility and liability in relation to the gas shall attach to Shipper. Transporter's responsibility with respect to Shipper's gas shall be deemed to be met if Transporter exercises due diligence in protecting such gas.
- c. Transporter and Shipper each indemnifies and saves harmless the other for any and all damages, claims or actions arising out of the maintenance or operation of the other's property or equipment. Neither party shall indemnify the other for any such damages, claims or actions arising out of the negligence of the other party, its employees or agents.
- d. Transporter may retain, free and clear of any claim by others, any drip liquids recovered on Transporter's system which separate from the stream.

# 14. PRESSURE.

- a. Transporter shall use due care and diligence to furnish gas hereunder at such uniform pressure as Shipper may request, but Transporter shall not be required to deliver at a pressure exceeding the normal operating pressure at point of delivery. Shipper shall install, operate and maintain such pressure regulating devices as may be necessary or appropriate to regulate the pressure of the gas after its delivery to Shipper.
- b. Shipper shall tender gas at the Point(s) of Receipt at a pressure sufficient to enter the pipeline's system. Except with the agreement of Transporter, Shipper shall not be permitted to tender the gas at any Point of Receipt at a pressure in excess of the pressure specified for that Point of Receipt as set forth in the applicable service agreement.

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15. WARRANTY OF TITLE TO GAS.

- a. Shipper warrants title to gas hereunder at the time of tender to Transporter and that this title is free from all liens and adverse claims.
- b. Each Party shall indemnify the other Party against all damages, costs, and expenses of any nature whatsoever arising from every claim against said gas.
- 16. LIMITATIONS ON OBLIGATIONS.
  - a. FORCE MAJEURE.
    - (1) It is expressly agreed that Transporter shall not be liable on any account whatsoever to Shipper for any failure, interruption or diminution in delivery of gas hereunder or any act, omission or circumstance occasioned by or in consequence of accident to or breakage of pipelines, equipment or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, or government agency, depletion or destruction of gas wells or fields, diminution or failure of, or interference, partial or entire, with Transporter's natural gas supply, or, and without limitation by the foregoing, any other causes beyond reasonable control of Transporter.
    - (2) Shipper shall not be liable to Transporter for any failure to accept natural gas hereunder when occasioned by, to, or breakage of pipelines, equipment or machinery, explosions, fires,

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floods, freezing, storms, landslides, washouts, strikes, industrial disturbances, legal interferences, orders or requirements of competent authority, acts of God or the public enemy, or, and, without limitation by the foregoing , any other cause beyond reasonable control of Shipper. Any such cause or contingency exempting Shipper from liability for non-performance (excepting where prevented by valid orders or requirements of Federal, State or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve Shipper of its obligation to pay demand charges, reservation charges, or other amounts owed in accordance with the provisions of the applicable rate schedule. In every case, Shipper shall exercise diligence to remove any such interference with its receipt of gas and shall resume such receipt at the earliest practicable time.

- LIMITATIONS ON GAS RECEIPTS, TRANSPORTATION AND DELIVERIES.
  - (1) Whenever Transporter's system is unable, for any reason, to receive, transport, or deliver gas to satisfy the needs of all Shippers requesting service, all requested firm service will be provided before requested interruptible service.
  - (2) Before any firm service is interrupted, all interruptible service will have been interrupted.
  - (3) In the event that a receipt, transportation, and delivery capability limitation is applicable only to a specific pipeline or area of the system, and the only receipt, transportation and delivery reductions required relate to that pipeline or area, then the reductions prescribed above may be limited to such pipeline or area.

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(4) Transporter will use reasonable efforts to give at least four (4) hours notice in advance of the time reductions of takes are to commence. However, when reductions are due to an event of force majeure, Transporter shall give whatever notice is practicable under the circumstances.

# c. PRIORITIES OF INTERRUPTIBLE SERVICE.

After Transporter has met its obligations to all firm customers, any remaining capacity on any day shall be allocated to interruptible customers in the following order of priority:

- (1) VOLUMES FOR WHICH SHIPPER IS PAYING THE MAXIMUM TRANSPORTATION TARIFF RATE (Highest Priority):
  - (a) Within the priority, service shall be provided on a first-come-first-served basis, based on the date the complete written request for service was received by Transporter or the date that a specific receipt or delivery point was requested to be added to an agreement (Priority Date). Should two (2) or more Shippers have the same Priority Date, service shall be provided on a pro rata basis, based on the nominations (transportation). Transporter will keep a transport log.
  - (b) Notwithstanding the above, priority shall be given to a Shipper desiring to continue transportation between the same receipt and delivery points for which Shipper actually nominated and flowed volumes at the maximum rate during the preceding billing period. However, this priority shall be limited to the sum of Shipper's average daily volumes actually nominated and flowed for such billing period and Shipper's average daily volumes of gas interruptions or reductions during such billing period, up to the Maximum Daily Transportation Quantity.

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- (2) VOLUMES FOR WHICH SHIPPER IS PAYING LESS THAN THE MAXIMUM TRANSPORTATION RATE (Second Highest Priority):
  - (a) Within this priority, service shall be provided on the basis of the percentage of the full rate being paid. Service at a higher percentage of the full rate shall have a higher priority of service than service at a lower percentage of full rate. If two or more Shippers are receiving service at the same percentage of full rate, priority shall be determined on a firstcome-first-served basis, based on the date a complete written request for service was received by Transporter, or the date that a specific receipt or delivery point was requested to be added to an agreement (Priority Date). If two (2) or more customers are paying the same percentage of full rate and have the same Priority Date, service shall be provided on a pro rata basis, based on the nomination (transportation).
  - (b) At any time, a Shipper may agree to pay a higher rate in order to receive or continue to receive service.
  - (c) Notwithstanding the above, for the remainder of the billing period, priority shall be given to a customer desiring to continue transportation between the same receipt and delivery points for which Shipper actually nominated and flowed volumes at a discounted rate. However, this priority shall be limited to the daily volumes actually nominated and flowed on the previous day up to the Maximum Daily Transportation Quantity.

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(3) VOLUMES IN EXCESS OF THE MAXIMUM DAILY RECEIPT QUANTITY, THE MAXIMUM DAILY DELIVERY QUANTITY, OR THE MAXIMUM DAILY TRANSPORTATION QUANTITY (Third Highest Priority):

Volumes in excess of Interruptible Service Agreement maximum quantities, shall be the lowest priority and shall be the first volumes to be interrupted. However, this priority shall be limited for transportation to the daily volumes actually nominated and flowed on the previous day up to the Maximum Daily Transportation Quantity, plus the average daily volumes of gas interruptions or reductions during such billing period up to the maximum contract volume.

d. REDUCTIONS TO INTERRUPTIBLE SERVICE.

Whenever the receipt, transportation, or delivery capacity of all or a portion of Transporter's system or system segment due to any cause is such that Transporter is unable to transport all gas nominated by Shippers under the Rate Schedule, service to Shippers receiving transportation service on an interruptible basis shall be interrupted or reduced in the reverse order of priorities set forth under Section (c)(1),(2) and (3), with all services under priority (c)(3) being interrupted or reduced first, all services under priority (c)(2) second, and all services under priority (c)(1) last.

- e. REDUCTIONS TO FIRM SERVICE.
  - (1) Receipts, transportation and deliveries of firm transportation shall be reduced pro rata based on the daily nomination or daily contract quantity.

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(2) Notwithstanding the above, Transporter may make deliveries as necessary to forestall irreparable injury to persons or property. Such situations include, but are not limited to, space heating of plant offices and heating for minimum plant protection or maintenance.

# 17. LIABILITY.

- a. If service under this Tariff is interrupted, Transporter shall not be liable for damages of any kind, including consequential damages, to any customer or other party.
- b. Transporter shall have the right, without liability to any customer or other party, to interrupt the receipt, transportation, or delivery of gas when necessary to test, alter, modify, enlarge, repair, or maintain any facility, property or appurtenance related to the operation of its pipeline system. Except in cases of unforeseen emergency, Transporter shall give advance notice of its intention to so interrupt the transportation of gas, stating the anticipated timing and magnitude of each such interruption.

# 18. REMEDIES.

- a. Transporter is not required to perform service under the Transportation Service Agreement on behalf of any Shipper that fails to comply with any and all of the terms and conditions of the Transportation Service Agreement including the applicable rate schedules and these General Terms and Conditions.
- b. In the event that Shipper shall fail to pay any bill rendered it by Transporter for gas delivered hereunder within sixty (60) days after the same becomes due, Transporter, in addition to all other remedies which it may have at law in addition to those provided herein,

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at any time thereafter may suspend the delivery of gas until payment in full has been made; provided, however, that Transporter shall provide Shipper and the Commission, forty (40) days after the payment due date, with a first written notice that Shipper has twenty (20) days in which to pay its bill and, fifty (50) days after the payment due date, a second written notice that Shipper has ten (10) days in which to pay its bill before the suspension of service takes effect.

- c. No provision of these General Terms and Conditions regarding specific remedies shall bar either Transporter or Shipper from asserting any other remedy it may have at law or in equity.
- Subject to requirements of regulatory bodies having jurisdiction and without prejudice to any other rights and remedies available to Transporter under the law and this Agreement, when Shipper fails to pay all charges when the same become due, Transporter, after providing the written notices as set forth in subpart (b) of this section, may suspend service upon failure to pay all or part of billed amount within sixty (60) days after the same shall become due where Shipper neither pays the bill nor provides a guarantee that the bill will be paid within the notice period. However, in the event of a bona fide dispute between the Parties in respect to the charges, Transporter shall have the right to discontinue the transportation of gas hereunder beginning thirty (30) days after the issuance of a final nonappealable decision by a court of competent jurisdiction in favor of Transporter, if Shipper has failed to remedy or correct such violation within said thirty (30) day period. Any suspended transportation of gas may be resumed at Transporter's discretion, upon payment by Shipper of unpaid charges.

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### 19. DULY CONSTITUTED AUTHORITIES.

- a. This Gas Tariff, including these General Terms and Conditions and the respective obligations of the parties under the Service Agreement, are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.
- b. Each Party's obligations under a Service Agreement incorporating these General Terms and Conditions are conditioned upon each Party obtaining from governmental authorities having jurisdiction such authorization as may be necessary.
- c. The Parties recognize that the rates, terms, and conditions for service hereunder may require change from time to time. Accordingly, Transporter's rates, terms and conditions, may from time to time be changed by appropriate lawful processes, including the filing of changed provisions with the FERC. Transporter shall be entitled to collect such changed rate from Shipper commencing with the effective date of such change. Shipper shall be obligated to pay the changed rate, made effective in the manner described above, but nothing herein contained shall prejudice the rights of Shipper to contest at any time changes to the charges for the services rendered hereunder by Transporter.
- d. If, by an order, opinion, approval of a settlement of any of Transporter's rate cases, or otherwise, the Commission directly or indirectly requires changes in the costs attributable to transportation by Transporter hereunder or requires changes to the rate form in which such costs are recovered, then, as of the effective date of such change in attribution or rate form, the transportation rate hereunder shall be changed to reflect the full recovery from Shipper of all costs attributed to the transportation hereunder or to reflect any new rate form.

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e. Transporter has a right to terminate agreements under this Rate Schedule immediately if the regulatory authority to perform the service provided under such agreements is terminated.

#### 20. NOTICES.

Any notice, request, demand, statement or bill provided for in these General Terms and Conditions and the rate schedules to which they apply, or any notice which either Transporter or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered three (3) days after deposit in the United States mails, postage prepaid, addressed to the Post Office address of Transporter or Shipper, or at such other address as either shall designate by formal written notice, except that routine communications (including monthly statements and payments) shall be considered as duly delivered three (3) days after mailing by either registered or ordinary mail, and except that notices pursuant to "Limitations or Obligations" and pursuant to Section 16 of the General Terms and Conditions may be given orally. In the event that next day express delivery service is utilized, delivery shall be deemed to occur on the following business day.

- 21. ORDER NO. 497 AND 497-A COMPLIANCE INFORMATION AND PROCEDURES
  - 21.1 SHARED OPERATING PERSONNEL OR FACILITIES.
    - a) Transporter has three marketing affiliates; K N
      Marketing, Inc., K N Gas Supply Services, Inc.,
      and K N Services, Inc. which conduct transactions with
      transporter. Larry D. Hall, Chairman, CEO & President of K N
      Energy, who is an officer and director of the Transporter, is
      also a director of the marketing affiliates; however,
      Transporter shares no operating personnel with marketing
      affiliates. Transporter and its marketing affiliates share
      certain administrative and support services; as well as a
      telephone system and mainframe computer equipment. The
      mainframe computer equipment, including access to all
      computer databases, is password protected in order to
      maintain operational separation and confidential access to
      the system.
    - b) With respect to shared facilities, K N Wattenberg and its marketing affiliates share office facilities at 370 Van Gordon Street, Lakewood, CO 80228. However, to the maximum extent practical, the operating personnel of K N Wattenberg and its affiliates have been physically segregated.

FERC Docket: CP92-203-005

Substitute Original Sheet No. 64 Substitute Original Sheet No. 64: Effective

General Terms and Conditions - continued

- 21.2 STANDARDS OF CONDUCT. Transporter will apply FERC Order No. 497 Standards of Conduct and reporting requirements to its marketing affiliates, as applicable.
- 21.3 SHIPPER COMPLAINT PROCEDURES.
  - a. Shipper notifies Transporter of any complaint Shipper may have regarding Transporter's services.
  - b. Transporter obtains all necessary facts from Shipper.
  - c. Transporter notifies other appropriate departments (e.q. dispatch, engineering, accounting, legal, etc.) and obtains any necessary information regarding the complaint.
  - d. Transporter contacts Shipper if additional information is needed regarding the complaint.
  - e. Transporter reviews and anlayzes all available information and responds initially within 48 hours, prepares a formal written reply and/or proposal for action regarding the complaint, and submits it for management approval.
  - f. Following management approval, a written response is sent to Shipper within 30 days of the complaint.
- 21.4 PROCEDURES FOR OBTAINING TRANSPORTATION INFORMATION.

  Information regarding availability and pricing of transportation service, and capacity of pipeline available for transportation, may be obtained on the electronic bulletin board or by contacting Transporter at:

K N Wattenberg Transmission Limited Liability Company P.O. Box 281304 Lakewood, CO 80228-8304 (303) 989-1740 Facsimile: (303) 989-3632

FERC Docket: TM96-2-117-000

Second Revised Sheet No. 65 Second Revised Sheet No. 65: Effective

Superseding: First Revised Sheet No. 65

General Terms and Conditions - continued

## 22. GAS RESEARCH INSTITUTE CHARGE PROVISIONS

#### a. PURPOSE

Transporter has joined with other gas enterprises in the formation of and participation in the activities and financing of Gas Research Institute (GRI), an Illinois not for profit corporation. GRI has been organized for the purpose of sponsoring Research, Development and Demonstration (RD&D) programs in the field of natural and manufactured gas for the purpose of assisting all segments of the gas industry in providing adequate, reliable, safe, economic and environmentally acceptable gas service for the benefit of gas consumers and the general public.

For the purpose of funding of GRI's approved expenditures, this Section establishes a GRI Adjustment Charge to be applicable to Transporter's Rate Schedules FT and IT, as set forth on Sheet No. 6 of Original Volume No. 1 of this FERC Gas Tariff; provided however, such charge shall not be applicable to Shippers which are interstate pipelines and which include in their rates a charge for RD&D expenditures, or to Shippers which pay a charge for RD&D expenditures to a third party in connection with third party transportation of gas.

#### b. BASIS OF THE GRI ADJUSTMENT CHARGE

The Rate Schedules shall include an increment for a GRI Adjustment Charge for RD&D. Such adjustment charge shall be that increment, adjusted to Transporter's pressure base and heating value, if required, which has been approved by

FERC Docket: RP97-144-001

Fourth Revised Sheet No. 66 Fourth Revised Sheet No. 66: Effective

Superseding: Third Revised Sheet No. 66

General Terms and Conditions - continued

Federal Energy Regulatory Commission orders approving GRI's RD&D expenditures.

### c. FILING PROCEDURE

The notice period and proposed effective date of filings pursuant to this subsection shall be those permitted under the Commission's Regulations unless, for a good cause shown, a lesser notice period and different effective date is allowed by valid Commission order. Any such filing shall not become effective unless it becomes effective without suspension or refund obligation.

### d. REMITTANCE TO GRI.

Transporter shall remit to GRI, not later than fifteen (15) days after the receipt thereof, all monies received by virtue of the GRI Adjustment Charge, less any amounts properly payable to a Federal, State or Local authority relating to the monies received hereunder.

# 23. FEDERAL ENERGY REGULATORY COMMISSION ANNUAL CHARGE ADJUSTMENT:

## a. PURPOSE

For the purpose of funding of the Federal Energy Regulatory Commission's (FERC) costs incurred in any fiscal year, this Article 23 establishes an Annual Charge Adjustment to be applicable to Transporter's Rate Schedules as set forth on Sheet No. 6 of this FERC Gas Tariff. Transporter shall not recover any annual charges recorded in FERC Account No. 928 in a NGA Section 4 rate case.

## b. BASIS

The basis for the charge shall be the amount which is redetermined annually by FERC pursuant to Docket No. RM87-3 (May 29, 1987).

FERC Docket: RP97-144-007

Third Revised Sheet No. 66A Third Revised Sheet No. 66A: Effective

Superseding: Substitute Second Revised Sheet No. 66A

### c. REMITTANCE TO THE FERC

Transporter shall remit to the FERC, not later than forty-five (45) days after receipt of the Annual Charge Billing the Total Annual Charge stated in such billing.

# 24. COMPLIANCE WITH 18 C.F.R. SECTION 284.1

Transporter and Shipper shall comply with the business practice and electronic communication standards incorporated by reference in Section 284.10 of the Commission's Regulations (18 C.F.R. Section 284.10) as listed below:

1.3.4 1.3.7	(1.0) (1.1) (1.0) (1.1)	to 1.2.7 (1.1)	3.3.1 3.3.16	(1.0) (1.0) to 2.4.5 (1.0) (1.0) to 3.3.13(1.0) (1.0) to 3.3.18(1.0)
	(1.0)	, ,		(1.0) (1.0) to 3.4.3 (1.0)
1.3.21 1.3.33 1.3.34	(1.1)	to 1.3.31 (1.1)	4.3.1 4.3.6 5.2.1	(1.0) to 4.3.4 (1.0) (1.1) to 4.3.15(1.1) (1.0)
	(1.0)	to 1.4.5 (1.0)	3.2.1	(1.0)
2.3.10	(1.0)	to 2.3.8 (1.0)		
2.3.12 2.3.15		to 2.3.25 (1.0)		

Transporter has adopted the Gas Industry Standards Board Model Trading Partner Agreement for use with all Shippers.

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

TRANSPORTATION SERVICE REQUEST FORM

Complete Legal Name of Shipper State of Incorporation:	::
Address:	For Billing:
Phone:	Phone:
For Notices: (include street address for ex Contact Name:	-
Phone:	Phone:
Shipper is: Local Distribu Interstate Pip End User Other (specify	peline Producer Marketer
written distribution service a	or General Partner who will execute the agreement with Transporter (If signatory ase provide written authorization for
Name:	
Title:	
	s an agent of Shipper, please provide proof of Shipper and complete the following:
Legal Name of Principal:	, which is a(n):
Local Distribution Co Interstate Pipeline End User Other (specify)	ompany Intrastate Pipeline Producer Marketer

FERC Docket: CP92-203-002

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

Transportation Service Request Form - cont. SERVICE REQUESTED Type of Service requested: Firm Interruptible New \_\_\_\_ Amendment to Agreement dated: \_\_\_\_ Form of Service: Intrastate: \_\_\_\_ Interstate\*: \*"On Behalf of" Entity information (letter required) - Section 311 service will be "on behalf of" pursuant to Subpart B of Part 284 of the FERC regulations: Legal Name: \_ \_\_\_\_\_. which is an: \_\_\_\_ LDC \_\_\_ Intrastate Pipeline The named "on behalf of" entity will: \_\_\_ Transport the gas \_\_\_ Take title to the gas SERVICE INFORMATION Maximum Daily Transportation Quantity (Total Capacity Reservation Quantity for firm requests) Requested term of service: Initial delivery date \_\_\_\_\_ Termination date \_\_\_\_ Total contract volume over life of contract (affiliate transactions only) Are additional or new facilities required for Transporter to receive or deliver gas for the transportation service requested herein? \_\_\_\_ Туре \_\_\_\_ Yes \_\_\_\_ No

FERC Docket: CP92-203-005

Substitute Original Sheet No. 69 Substitute Original Sheet No. 69: Effective

Transportation Service Request Form - cont.

# RECEIPT POINT INFORMATION

On the attached Exhibit A, please list the name, precise legal location, the maximum daily receipt quantity in Dth being requested, the heating value of the gas in Btu and the producing area of the source of the gas to be transported for each receipt point listed. If requesting a proposed receipt point, include a field contact, telephone number and a billing name and address for the cost of installation.

## DELIVERY POINT INFORMATION

On the attached Exhibit B, please list the name, precise legal location, the maximum

daily delivery quantity in Dth being requested, and the state(s) in which the delivere gas will be consumed.						
ORDER 497 INFORMATION						
The identity of:						
any immediate upstream transporters of the gas to the Point(s) of Receipt for each Point(s) of Receipt*						
any immediate downstream transporters of the gas from the Point(s) of Delivery for eac Point(s) of Delivery*						
The name(s) of End Users: (Must be provided at time of execution of service agreement.						
State any affiliation between Transporter and any of the following parties to this transaction:						
Yes No If yes, Name						
Shipper						
Supplier Cother*						
*Describe involvement						

Effective Date: 06/01/1997 Status: Effective FERC Docket: RP97-144-001					
First Revised Sheet No. 70 First Revised Sheet No. 70: Effective Superseding: Original Sheet No. 70  Transportation Service Request Form - cont.					
If there is any affiliation between Shipper and Transporter, does the cost of gas to the affiliated marketer exceed the price received for the sale of gas by the affiliated marketer after deducting associated costs, including those incurred for transportation (i.e., is the gas being sold at a loss?):					
Yes No Don't know					
If so, by what amount? per Dth					
If this information is not known, it must be supplied as soon as possible.					
Shipper understands that this request form, complete and unrevised as to format, and a credit application must be received by Transporter before the request will be accepted and processed.					
Shipper further understands that Transporter is an interstate pipeline subject to the regulations of the Federal Energy Regulatory Commission ("FERC"), and that Shipper's request will become part of a log available for public inspection. Shipper hereby agrees to pay Transporter's currently effective transportation rate applicable for this service and to comply with all applicable terms of Transporter's Tariff. Shipper agrees that it will reimburse Transporter for filing fees upon receipt of an invoice therefor.					
Shipper, by its signature, represents to Transporter that the information above is correct and accurate.					
Very truly yours,					
Signature					
Typed Name and Title					
Telephone Number					
Facsimile Number					

FERC Docket: RP97-144-001

First Revised Sheet No. 70A First Revised Sheet No. 70A: Effective Superseding: Original Sheet No. 70A
TRANSPORTATION SERVICE REQUEST

EXHIBIT A

RECEIPT POINTS

NAME	LEGAL lOCATION OR METER NUMBER	~	T BTU/cu. ft.	PRODUCING Area
			<del></del> ;	
	<del></del>			
		TOTAL		
	The maximum dai must not exceed		-	

that point.

For additional receipt points, attach another sheet.

The total must not exceed the Maximum Daily 1/ Transportation Quantity, plus Fuel reimbursement and other deductions.  $% \left( \frac{1}{2}\right) =\frac{1}{2}\left( \frac{1}{2}\right) +\frac{1}{2}\left( \frac{1}{2}\right) +\frac{1}$ 

FERC Docket: RP97-144-001

First Revised Sheet No. 70B First Revised Sheet No. 70B: Effective Superseding: Original Sheet No. 70B
TRANSNSPORTATION SERVICE REQUEST EXHIBIT B DELIVERY POINTS

			MAXIMUM DAILY RECEIPT
NAME	LEGAL LOCATION METER NUMBER	OR	QUANTITY in Dth
	<del></del>		
	-		
		TOTAL/2	

The maximum daily delivery volume at any delivery point must not exceed the gas volume that Transporter can delivery at that point.

For additional delivery points, attach another sheet.

2/ The total must not exceed the Maximum Daily Transportation Quantity.

FERC Docket: CP92-203-002

 $\begin{center} \textbf{Original Sheet No. 71} & \textbf{Original Sheet No. 71} & \textbf{Effective} \\ \end{center}$ 

# TRANSPORTATION SERVICES CREDIT APPLICATION

# b K N WATTENBERG TRANSMISSION LIMITED LIABILITY COMPANY

P.O. Box 281304 Lakewood, Colorado 80228-8034

Customer Name and Address					
Type of business: b Cor	ooration	b Partnersh	ip b	Individual	
b Othe		b Specify	1 1		
State incorporated in	_	Tax ID Nu			
Number of years in business	under current name				
Has the customer changed its			b Yes	h No	
If yes, furnish prior name					
List the three principal own	ners. stockholders.	partners. or	officers	of the customer	
NT		F		Name	
m;+10				Title	
Address				Address	
<del></del>				11001000	
Phone	Phone			Phone	
If a wholly owned subsidiary	y, name and address	of parent			
Is Parent company responsible Billing Address				se furnish docume	
Amount of Credit Requested	\$	Ne	t Worth \$	<u> </u>	
	Please Furnish One	Bank Referenc			
Name		Phone			
Address		Account Types			
Contact		Account Nos.			
Pleas	se Furnish Two Busi	ness Credit R	eferences		
Name		Name			
Address		Address			
Contact		Contact			
Phone		Phone			

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

			CREDIT	APPLICATION - cont	inued		
Limited	c's estimate ty Company:	of	activity under all tra	nsportation agreeme	ents with K N W	attenberg Tran	smission
Is Custo	omer:		timated Monthly Transp Operating under feder			Yes	No
		þ	Subject to liquidation under state laws?	n or debt reduction	n procedures		
		þ	Subject to pending li proceedings in state cause a substantial of	or federal courts	which could		No
		þ	Subject to any collect judgements which wou				
þ annual	Attach copi	ies	of your financial stat	ements (to include,	at least, two	most recent y	ears on an
amidai	basis and 3	basis and 3 most recent monthly or quarterly statements).					
þ	Attach a co	рру	of your most recent Ar	nual Report and SEG	C Form 10-K, if	applicable.	
terms ma until er to a custom credit t your credit i applicat	ay result in ntire balance mer. We reserve a customer is approved become the control of the cont	cus e du erve r; y	payment terms will be tomer being placed on e is paid. We reserve the right to require ou will be notified if re any sales or transpat st confidence and used	a cash in advance he the right to limit an irrevocable lett such an instrument forts are scheduled	pasis and/or hat or revoke the ter of credit of is required.  Information	ving transacti amount of cre r deposit befo To avoid dela provided on th	ons suspended dit extended re extending ys, be sure is
				NOTICE			
TARIFF O APPLICAN PROHIBIT FINANCIA CONSENT CREDIT A	OR APPLICABLE  NT AGREES TO  TED BY LAW, THE  AL INFORMATION  IS PROVIDED:  APPLICATION TO	E LA REI THAT ON B I I	DUE DATE WILL BE ASSE W. IN THE EVENT THE A MBURSE THE COMPANY FOR ARE INCURRED IN THE C Y A FIRM WITHOUT THE W HEREBY AUTHORIZE DISC N WATTENBERG TRANSMIS CONDITIONS APPEARING	PPLICANT BECOMES DE ALL COLLECTION COS COLLECTION PROCESS. RITTEN CONSENT OF I LOSURE OF FINANCIAL SION LIMITED LIABLE	ELINQUENT IN TH STS, LEGAL FEES STATE LAW MAY ITS CUSTOMER. L INFORMATION B	E PAYMENT OF I AND COURT COS FORBID THE DI THEREFORE, THE Y ALL REFERENC	NVOICES, THE TS, IF NOT SCLOSURE OF FOLLOWING ES LISTED ON
	COMPANY NAM	ΜE			SIGNATURE		
	DATE				TITLE		

FERC Docket: CP92-203-002

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

# FORM OF SERVICE AGREEMENT (APPLICABLE TO RATE SCHEDULE FT)

This Firm Service Transportation Agreement ("Agreement"), is made and entered into between K N Wattenberg Transmission Limited Liability Company, a Colorado corporation ("Transporter") and the party identified as Shipper in this Agreement.

In consideration of the premises and of the mutual covenants 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 Transporter's Rate Schedule FT and Transporter's General Terms and Conditions, Transporter agrees to receive, transport and deliver on a firm basis thermally equivalent volumes of gas, adjusted for the Fuel Reimbursement Quantity, up to the Maximum Daily Transportation Quantity (MDTQ).

## ARTICLE II - TERM OF AGREEMENT

This Agreement shall become effective and continue in effect as set forth herein. If renewable following the primary term, this Agreement may be terminated by either party upon prior written notice.

## ARTICLE III - RATE SCHEDULE

Shipper shall pay Transporter for all services rendered hereunder at rates filed under Transporter's Rate Schedule FT and as the same may be revised or changed. The rates to be charged Shipper for services under this Agreement shall be the maximum rate filed for that service unless Shipper and Transporter have otherwise agreed in writing. The rates charged Shipper for firm transportation hereunder shall not be more than the maximum rate applicable to such service, nor less than the minimum rate for such service.

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Rate Schedule FT and of Transporter's General Terms and Conditions on file with the Federal Energy Regulation Commission or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.

FERC Docket: CP92-203-005

Substitute Original Sheet No. 74 Substitute Original Sheet No. 74: Effective

Form of Service Agreement - continued

ARTICLE IV - RECEIPT POINT(S) AND DELIVERY POINT(S)

Natural gas to be received for the account of Shipper hereunder shall be received on the outlet side of the measuring station(s) at or near the point(s) of receipt, as specified in Appendix A.

Natural gas to be delivered for the account of Shipper hereunder shall be delivered on the outlet side of the measuring station(s) at or near the point(s) specified in Appendix B.

Additional information concerning receipt and delivery points is set forth on Appendices A and B to this Agreement which are incorporated herein by reference.

### ARTICLE V - QUALITY

All natural gas tendered for transportation to Transporter for the account of Shipper at the Receipt Point(s) shall conform to the quality specifications set forth in the General Terms and Conditions, as revised from time to time. Transporter may receive gas not conforming to the quality specifications if treatment facilities on Transporter's system will bring such gas into conformance with the quality specifications. Transporter may refuse to receive on a non-discriminatory basis any gas for transportation which does not meet such quality specifications and will not be treated to meet the quality specifications.

## ARTICLE VI - ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

FERC Docket: CP92-203-002

Original Sheet No. 75 Original Sheet No. 75: Effective

Form of Service Agreement - continued

ARTICLE VII - INTERPRETATION AND MODIFICATIONS

The interpretation and performance of this Agreement shall be in accordance with the laws of the State of Colorado.

ARTICLE VIII - AGREEMENTS BEING SUPERSEDED

### ARTICLE IX - CERTIFICATIONS

By executing this Agreement, Shipper certifies that: (1) Shipper has title to, or a current contractual right to deliver the gas to be transported by Transporter; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Transporter; and (3) Shipper has a sales and, as applicable, a transportation contract(s) or will enter into such sales and, as applicable, a transportation contract(s) with the party ultimately receiving the gas, prior to the commencement of service.

### ARTICLE X - SPECIFIC INFORMATION

	Limited Liability Compa	reement between K N Wattenberg iny ("Transporter") and ("Shipper").
Contract Numbe	er	Contract Date//
Primary Term _ Renewal Term-n	month to month	Other
Termination No		
Transporter	K N Wattenberg Transm P.O. Box 281394 Lakewood, CO 80228-83 Attn: Marketing and T Telephone: (303) 989- Fax: (303) 980-9044	ransportation
Shipper		
<del></del>		

Effective Date: 06/01/1997 Status: Effective FERC Docket: RP97-144-001
First Revised Sheet No. 76 First Revised Sheet No. 76: Effective Superseding: Original Sheet No. 76
Form of Service Agreement - continued
Maximum Daily Transportation Quantity: Dth per day.
The rate charged will be the maximum transportation rate unless otherwise agreed to in writing.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their Presidents or Vice Presidents duly authorized and their corporate seals to be affixed hereto and attested by their Secretaries or Assistant Secretaries.
Effective Date:
K N Wattenberg Transmission Limited Liability Company
By:
SHIPPER
By:

Original Sheet No. 77 Original Sheet No. 77: Effective

# APPENDIX A

Liability Comp		and	ent between K N Wattenbe	erg Transmission Limited ("Shipper");
Point of Receipt	Meter No.	Maximum Receipt Pressure	Maximum Daily Receipt Quantity	Provision for Incre. Facility
Quality waive:	rs:			
	A supersedes and car n Service Agreement.	ncels any previ	ously effective Appendix	x A to this Firm
Effective Date	e:	<del></del>		
	K N Wattenberg Tran	smission Limite	ed Liability Company	
	Ву:			
	SHIPPER			
	_			

Original Sheet No. 78 Original Sheet No. 78: Effective

# APPENDIX B

Liability Com		n Service Agreement bet and			imited
Point of Delivery	Meter No.	Maximum Daily Delivery Quantity			
	B supersedes and can service Agreement.	ancels any previously e	effective Appe	ndix B to this Firm	
Effective Dat	e:				
	K N Wattenberg Tran	nsmission Limited Liabi	lity Company		
	Ву:				
	SHIPPER				

FERC Docket: CP92-203-002

Original Sheet No. 79 Original Sheet No. 79: Effective

# FORM OF SERVICE AGREEMENT (APPLICABLE TO RATE SCHEDULE IT)

This Interruptible Transportation Service Agreement ("Agreement"), is made and entered into between K N Wattenberg Transmission Limited Liability Company, a Colorado corporation ("Transporter") and the party identified as Shipper in this Agreement.

In consideration of the premises and of the mutual covenants 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 Transporter's Rate Schedule IT and Transporter's General Terms and Conditions, Transporter agrees to receive, transport and deliver on an interruptible basis thermally equivalent volumes of gas, adjusted for the Fuel Reimbursement Quantity, up to the Maximum Daily Transportation Quantity (MDTQ).

## ARTICLE II - TERM OF AGREEMENT

This Agreement shall become effective and continue in effect as set forth herein. If renewable following the primary term, this Agreement may be terminated by either party upon prior written notice.

## ARTICLE III - RATE SCHEDULE

Shipper shall pay Transporter for all services rendered hereunder at rates filed under Transporter's Rate Schedule IT and as the same may be revised or changed. The rates to be charged Shipper for services under this Agreement shall be the maximum rate filed for that service unless Shipper and Transporter have otherwise agreed in writing. The rate charged Shipper for transportation hereunder shall not be more than the maximum rate applicable to such service, nor less than the minimum rate for such service.

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's Rate Schedule IT and of Transporter's General Terms and Conditions on file with the FERC or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded. The Rate Schedules and General Terms and Conditions are by this reference made a part hereof.

FERC Docket: CP92-203-002

Original Sheet No. 80 original Sheet No. 80: Effective

Form of Service Agreement - continued

ARTICLE IV - RECEIPT POINT(S) AND DELIVERY POINT(S)

Natural gas to be received for the account of Shipper hereunder shall be received on the outlet side of the measuring station(s) at or near the point(s) of receipt, as specified in Appendix A.

Natural gas to be delivered for the account of Shipper hereunder shall be delivered on the outlet side of the measuring station(s) at or near the point(s) specified in Appendix B.

Additional information concerning receipt and delivery points is set forth on Appendices A and B to this Agreement which are incorporated herein by reference.

## ARTICLE V - QUALITY

All natural gas tendered for transportation to Transporter for the account of Shipper at the Receipt Point(s) shall conform to the quality specifications set forth in the General Terms and Conditions, as revised from time to time. Transporter may receive gas not conforming to quality specifications if treatment facilities on Transporter's system will bring such gas into conformance with the quality specifications. Transporter may refuse to receive on a non-discriminatory basis any gas for transportation which does not meet such quality specifications and will not be treated to meet the quality specifications.

## ARTICLE VI - ASSIGNMENT

This Agreement shall be binding upon and inure to the benefit of any successor(s) to either Transporter or Shipper by merger, consolidation or acquisition. Either Transporter or Shipper may assign or pledge this Agreement and all rights and obligations under the provisions of any mortgage, deed or trust, indenture or other instrument which it has executed or may execute hereafter as security for indebtedness; otherwise, neither Transporter nor Shipper shall assign this Agreement or any of its rights hereunder without first having obtained formal written consent of the other(s). Such consent shall not be unreasonably withheld.

FERC Docket: CP92-203-002

Original Sheet No. 81 Original Sheet No. 81: Effective

Form of Service Agreement - continued

ARTICLE VII - INTERPRETATION AND MODIFICATIONS

The interpretation and performance of this Agreement shall be in accordance with the laws of the State of Colorado.

ARTICLE VIII - AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective it shall supersede and cancel any other interruptible transportation agreements between the parties for the same service:

## ARTICLE IX - CERTIFICATIONS

By executing this Agreement, Shipper certifies that: (a) Shipper has title to, or a current contractual right to deliver the gas to be transported by Transporter, and (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Transporter, and (3) Shipper has a sales and, as applicable, a transportation contract(s) or will enter into such sales and, as applicable, a transportation contract(s) with the party ultimately receiving the gas, prior to the commencement of service.

ARTICLE XI - SPECIFIC INFORMATION

	ible Transportation		eement between K N pany ("Transporter") and ("Shipper").		
Contract NumberPrimary Term		Contract Date			
	month to month	Other	Termination Notice		
Transporter	K N Wattenberg Transmission Limited Liability Company P.O. Box 281304 Lakewood, CO 80228-8304 Attn: Marketing and Transportation Telephone: (303) 989-1740 Fax: (303) 980-9044				
Shipper					

Effective Date: 06/01/1997 Status: Effective FERC Docket: RP97-144-001  First Revised Sheet No. 82 First Revised Sheet No. 82: Effect: Superseding: Original Sheet No. 82 Form of Service Agreement - continued	ive
Maximum Daily Transportation Quantity: Dth pe day.	r
The rate charged will be the maximum transportation rate unless otherwise agreed to in writing.	1
Effective Date:	
IN WITNESS WHEREOF, the parties hereto have caused this Agreeme to be signed by their Presidents or Vice Presidents duly authorized and their corporate seals to be affixed hereto and attested by their Secretaries or Assistant Secretaries, the day and year first above written.	
K N Wattenberg Transmission Limited Liability Company	
Ву:	
SHIPPER	
Ву:	

Original Sheet No. 83 Original Sheet No. 83 : Effective

# APPENDIX A

Limited Liabil		orter") and	ce Agreement between K 1	N Wattenberg Transmission ("Shipper").
Point of Receipt	Meter No.		Maximum Daily Receipt Quantity	
Quality Waiver	s:			
	A supersedes and car Service Agreement.	ncels any previo	ously effective Appendi	x A to this Interruptible
Effective Date	:			
	K N Wattenberg Tran	nsmission Limite	ed Liability Company	
	Ву:			
	SHIPPER			