

Monroe Gas Storage Company, LLC
FERC Gas Tariff

FERC GAS TARIFF

FIRST REVISED VOLUME NO. 1

(Superseding Original Volume No. 1)

of

MONROE GAS STORAGE COMPANY, LLC

Filed with the

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning this Tariff
Should be Addressed to:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Attn: Regulatory Affairs
Three Riverway, Suite 1250
Houston, TX 77056
Telephone No.: 713-350-2500
Fax No.: 713-350-2550
Email: EnergyReg@cardinalgs.com

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PRELIMINARY STATEMENT

Monroe Gas Storage Company, LLC ("Operator") is a Delaware limited liability company, which is primarily engaged in the business of developing and operating underground natural gas storage facilities and providing natural gas storage services in interstate commerce under the jurisdiction of the Federal Energy Regulatory Commission. The facilities owned and operated by Operator consist of natural gas storage facilities located in Monroe County, Mississippi. Operator's storage facility is interconnected with Texas Eastern Transmission Corporation in Monroe County, Mississippi, Tennessee Gas Pipeline Company in Lamar County, Alabama, and Atmos Energy Corporation in Monroe County, Mississippi.

This FERC Gas Tariff contains the Rates and Charges, Rate Schedules, General Terms and Conditions and Form of Service Agreements applicable to open-access firm and interruptible storage and hub services performed by Operator through its facilities located in Monroe County, Mississippi, pursuant to Rate Schedules FSS, ISS, EPS, ELS, IPS, ILS, IWS, IBTS, and IBS, all provided at market-based rates.

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A system map of Monroe Gas Storage Company, LLC can be found here:

<http://www.gasnom.com/ip/monroe/map/>

STATEMENT OF RATES AND CHARGES

4.1 RATE SCHEDULE FSS – FIRM STORAGE SERVICE

Capacity Reservation Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Capacity Charge multiplied by the MSQ, as specified in the Customer's executed Service Agreement applicable to Rate Schedule FSS.

Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Injection Charge specified in Customer's executed Service Agreement applicable to Rate Schedule FSS multiplied by the Dth quantity delivered for Customer's account during a given Month.

Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Withdrawal Charge specified in Customer's executed Service Agreement applicable to Rate Schedule FSS multiplied by the Dth quantity withdrawn for Customer's account during a given Month.

Authorized Overrun Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Excess Injection Charge specified in Customer's executed Service Agreement under Rate Schedule FSS multiplied by the Dth quantity injected for Customer's account in excess of MDIQ during a given Month as Excess Injection Gas, as defined in Section 5.1.3.1 (Overrun Service) of Rate Schedule FSS.

Authorized Overrun Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Excess Withdrawal Charge specified in Customer's executed Service Agreement under Rate Schedule FSS multiplied by the Dth quantity withdrawn for Customer's account in excess of MDWQ during a given Month as Excess Withdrawal Gas, as defined in Section 5.1.3.1 (Overrun Service) of Rate Schedule FSS.

Authorized Overrun Capacity Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Excess Capacity Charge specified in Customer's executed Service Agreement under Rate Schedule FSS multiplied by the Dth quantity stored for Customer's account during a given Month in excess of MSQ.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth) or % in-kind

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Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule FSS.

Title Transfer Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Title Transfer Charge specified in Customer's executed Service Agreement under Rate Schedule FSS multiplied by the Dth quantity transferred by Customer during a given Month pursuant to Section 6.17 (Gas Title Transfers) of the General Terms and Conditions of this FERC Gas Tariff.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement under Rate Schedule FSS, and all other applicable surcharges, including, but not limited to, the ACA charges, shall also be paid by Customer.

4.2 RATE SCHEDULE ISS – INTERRUPTIBLE STORAGE SERVICE

Capacity Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Capacity Charge specified in the Customer's executed Service Agreement applicable to Rate Schedule ISS multiplied by the aggregate quantity stored for Customer's account during the Month.

Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Injection Charge specified in Customer's executed Service Agreement applicable to Rate Schedule ISS multiplied by the Dth quantity delivered for injection for Customer's account during a given Month.

Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Withdrawal Charge specified in Customer's executed Service Agreement applicable to Rate Schedule ISS multiplied by the Dth quantity withdrawn for Customer's account during a given Month.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule ISS.

Title Transfer Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Title Transfer Charge specified in Customer's executed Service Agreement applicable to Rate Schedule ISS multiplied by the Dth quantity transferred by Customer during a given Month pursuant to Section 6.17 (Gas Title Transfers) of the General Terms and Conditions of this FERC Gas Tariff.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.3 RATE SCHEDULE EPS - ENHANCED INTERRUPTIBLE PARKING SERVICE

Enhanced Parking Capacity Charge: Market-based/Negotiable Rate (\$/Dth)

Enhanced Parking Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Enhanced Parking Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Excess Parking Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Excess Parking Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Enhanced Parking Capacity Charge multiplied by Customer's Maximum Park Quantity, plus the Enhanced Parking Injection Charge multiplied by the quantity injected, plus the Enhanced Parking Withdrawal Charge multiplied by the quantity withdrawn, plus the Excess Parking Injection Charge multiplied by the Excess Injection Gas as defined in Section 5.3.2.4 of Rate Schedule EPS, plus the Excess Parking Withdrawal Charge multiplied by the Excess Withdrawal Gas as defined in Section 5.3.2.5 of Rate Schedule EPS, all as applicable and specified in Customer's executed Service Agreement applicable to Rate Schedule EPS during a given month.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule EPS.

Title Transfer Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Title Transfer Charge specified in Customer's executed Service Agreement applicable to Rate Schedule ISS multiplied by the Dth quantity transferred by Customer during a given Month pursuant to Section 6.17 (Gas Title Transfers) of the General Terms and Conditions of this FERC Gas Tariff.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.4 RATE SCHEDULE ELS – ENHANCED INTERRUPTIBLE LOAN SERVICE

Enhanced Loan Capacity Charge: Market-based/Negotiable Rate (\$/Dth)

Enhanced Loan Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Enhanced Loan Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Excess Loan Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Excess Loan Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Enhanced Loan Capacity Charge multiplied by Customer's Maximum Loan Quantity, plus the Enhanced Loan Injection Charge multiplied by the quantity injected, plus the Enhanced Loan Withdrawal Charge multiplied by the quantity withdrawn, plus the Excess Loan Injection Charge multiplied by the Excess Injection Gas as defined in Section 5.4.2.5 of Rate Schedule ELS, plus the Excess Loan Withdrawal Charge multiplied by the Excess Withdrawal Gas as defined in Section 5.4.2.6 of Rate Schedule ELS, all as applicable and specified in Customer's executed Service Agreement applicable to Rate Schedule ELS during a given month.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule ELS.

Title Transfer Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Title Transfer Charge specified in Customer's executed Service Agreement applicable to Rate Schedule ISS multiplied by the Dth quantity transferred by Customer during a given Month pursuant to Section 6.17 (Gas Title Transfers) of the General Terms and Conditions of this FERC Gas Tariff.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.5 RATE SCHEDULE IPS - INTERRUPTIBLE PARKING SERVICE

Parking Capacity Charge: Market-based/Negotiable Rate (\$/Dth)

Parking Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Parking Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Parking Capacity Charge multiplied by Customer's Maximum Park Quantity, plus the Parking Injection Charge multiplied by the quantity injected, plus the Parking Withdrawal Charge multiplied by the quantity withdrawn, as applicable and specified in Customer's executed Service Agreement applicable to Rate Schedule IPS during a given month.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule IPS.

Title Transfer Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Title Transfer Charge specified in Customer's executed Service Agreement applicable to Rate Schedule IPS multiplied by the Dth quantity transferred by Customer during a given Month pursuant to Section 6.17 (Gas Title Transfers) of the General Terms and Conditions of this FERC Gas Tariff.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.6 RATE SCHEDULE ILS - INTERRUPTIBLE LOAN SERVICE

Loan Capacity Charge: Market-based/Negotiable Rate (\$/Dth)

Loan Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Loan Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Loan Capacity Charge multiplied by Customer's Maximum Loan Quantity, plus the Loan Injection Charge multiplied by the quantity injected, plus the Loan Withdrawal Charge multiplied by the quantity withdrawn, as applicable and specified in Customer's executed Service Agreement applicable to Rate Schedule ILS during a given month.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule ILS.

Title Transfer Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Title Transfer Charge specified in Customer's executed Service Agreement applicable to Rate Schedule ILS multiplied by the Dth quantity transferred by Customer during a given Month pursuant to Section 6.17 (Gas Title Transfers) of the General Terms and Conditions of this FERC Gas Tariff.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.7 RATE SCHEDULE IWS - INTERRUPTIBLE WHEELING SERVICE

Wheeling Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Wheeling Charge multiplied by the Dth quantity wheeled by Customer or Customer's Maximum Daily Wheeling Quantity during a given month, as specified in Customer's executed Service Agreement applicable to Rate Schedule IWS.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule IWS.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.8 RATE SCHEDULE IBTS - INTERRUPTIBLE IMBALANCE TRADING SERVICE

Imbalance Trading Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Imbalance Trading Charge specified in Customer's Service Agreement applicable to Rate Schedule IBTS multiplied by Customer's imbalance quantity traded during a given month.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.9 RATE SCHEDULE IBS – INTERRUPTIBLE BALANCING SERVICE

Balancing Charge: Market-based/Negotiable Rate (\$/Dth)

Balancing Injection Charge: Market-based/Negotiable Rate (\$/Dth)

Balancing Withdrawal Charge: Market-based/Negotiable Rate (\$/Dth)

Payment is equal to the Balancing Charge multiplied by Customer's balance quantity, plus the Balancing Injection Charge multiplied by the quantity injected, plus the Balancing Withdrawal Charge multiplied by the quantity withdrawn, as applicable and specified in Customer's Service Agreement applicable to Rate Schedule IBS during a given month.

Fuel Reimbursement Charge: Market-based/Negotiable Rate (\$/Dth), or % in-kind

Payment is to be reimbursed by Customer in-kind as a percent per Dth or in dollars per Dth on a monthly basis as determined pursuant to Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff and as specified in Customer's executed Service Agreement applicable to Rate Schedule IBS.

All applicable taxes set forth in either the General Terms and Conditions of this FERC Gas Tariff or the Service Agreement and all other applicable surcharges shall also be paid by Customer.

4.10 LIST OF NON-CONFORMING SERVICE AGREEMENTS

None.

RATE SCHEDULES

5.1 - RATE SCHEDULE FSS
Firm Storage Service

5.1.1 AVAILABILITY

Service under this Rate Schedule is available for any Customer for the purchase of firm natural gas storage service from Operator, provided that:

- 5.1.1.1 Operator has determined that it has sufficient facilities and available and uncommitted storage capacity and injection and withdrawal capacity to perform the service requested by Customer;
- 5.1.1.2 Customer has submitted a valid request for service and executed a firm storage service agreement with Operator;
- 5.1.1.3 Customer accepts responsibility for arranging any transportation service required for utilization of the storage service provided under this rate schedule;
- 5.1.1.4 Availability of service under this rate schedule shall be subject to a determination by Operator that service requested hereunder shall not cause a reduction in Operator's ability to meet firm service obligations to other Customers;
- 5.1.1.5 Customer complies with the provisions of this Rate Schedule and with all other applicable provisions of the FERC Gas Tariff; and
- 5.1.1.6 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.1.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.1.2.1 Subject to the limitations and requirements set forth in this Rate Schedule, the General Terms and Conditions, and Customer's Service Agreement applicable to this Rate Schedule, Operator shall:
 - (a) inject quantities received by the Operator from or on behalf of Customer and designated by Customer for delivery to "FSS Storage," on a daily basis up to the Maximum Daily Injection Quantity ("MDIQ"), not to exceed the Maximum Storage Quantity ("MSQ") set forth in Customer's Service Agreement applicable to this Rate Schedule, less sufficient quantities for Fuel Reimbursement;
 - (b) store quantities received by Operator from or on behalf of Customer and designated by Customer, up to the MSQ set forth in Customer's Service Agreement applicable to this Rate Schedule;

- (c) deliver to Customer thermally equivalent quantities of gas, on a daily basis up to the Maximum Daily Withdrawal Quantity (“MDWQ”) not to exceed the MSQ set forth in Customer’s Service Agreement applicable to this Rate Schedule, provided that Operator shall not be obligated under this Rate Schedule on any Day to deliver gas in excess of the Storage Inventory quantities then held in storage for Customer.

5.1.2.2 Service rights under a Service Agreement applicable to this Rate Schedule may be released in accordance with Section 6.8 (Capacity Release) of the General Terms and Conditions of this FERC Gas Tariff. Service to a Replacement Customer under any such capacity release shall be subject to the provisions set forth in this Rate Schedule, the Service Agreement, the General Terms and Conditions, the Capacity Release Umbrella Agreement and any Addenda thereto. If a Customer releases only a portion of its service rights under an Service Agreement applicable to this Rate Schedule, such release shall not change the existing ratio of the MSQ and the Maximum Daily Withdrawal Quantity/Maximum Daily Injection Quantity (MDWQ/MDIQ) or the Maximum Hourly Withdrawal Quantity/Maximum Hourly Injection Quantity (MHWQ/MHIQ).

5.1.2.3 Customer shall be permitted to combine the firm injection, storage or withdrawal of gas available under this Rate Schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, that priority for each service shall be determined by the respective priority of the service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.1.3 AUTHORIZED OVERRUN SERVICE

5.1.3.1 Customer may submit a nomination for injections in excess of its MDIQ or MHIQ (“Excess Injection Gas”), withdrawals in excess of its MDWQ or MHWQ (“Excess Withdrawal Gas”) or storage in excess of its MSQ (“Excess Storage Gas”). In the event that Customer makes such a nomination, Operator will schedule and confirm (i) the request to the extent that additional flexibility exists during the time period of the request in accordance with Section 6.7.2(b) of the General Terms and Conditions of this FERC Gas Tariff, and (ii) using reasonable discretion, that Operator can accommodate the request without detriment to Operator’s facilities and/or Operator’s ability to meet its firm obligations to other Customers.

5.1.3.2 Operator, at its sole discretion, shall have the right to interrupt all or part of these authorized overrun quantities nominated as may be required by the operation of its facilities, subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of the

FERC Gas Tariff.

5.1.4 RATES AND CHARGES

- 5.1.4.1 Applicable Charges. The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Service Agreement applicable to this Rate Schedule.
- (a) Capacity Reservation Charge. A reservation charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth per Month of Customer's MSQ.
 - (b) Injection Charge. A usage charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth injected per Month, for Customer's account, into Operator's facilities pursuant to Section 5.1.2.1(a) of this Rate Schedule.
 - (c) Withdrawal Charge. A usage charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth withdrawn per Month, for Customer's account, from Operator's facilities pursuant to Section 5.1.2.1(b) of this Rate Schedule.
 - (d) Excess Injection Charge. A usage charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth injected per Month, for Customer's account, as Excess Injection Gas by Customer pursuant to Section 5.1.3 of this Rate Schedule.
 - (e) Excess Withdrawal Charge. A usage charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth withdrawn per Month, for Customer's account, as Excess Withdrawal Gas by Customer pursuant to Section 5.1.3 of this Rate Schedule.
 - (f) Excess Capacity Charge. A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth stored in excess of Customer's MSQ per Month pursuant to Section 5.1.3 of this Rate Schedule.
 - (g) Fuel Reimbursement. The amount of Customer's gas for fuel and losses determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff at the rates set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule.
 - (h) Title Transfer Charge. A charge, as set forth in Exhibit A of Customer's

Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.

- (i) Regulatory Fees and Charges. Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Service Agreement applicable to this Rate Schedule.
- (j) Taxes. Customer shall reimburse Operator for all property or other taxes associated with the quantities held for Customer in storage under this Rate Schedule. Operator shall invoice Customer periodically for all taxes, if any, attributable to the injection, storage or withdrawal of gas.

5.1.4.2 Adjustments. The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.1.5 AUTHORIZATION, RATES, TERMS AND CHANGES

5.1.5.1 Customer's Service Agreement(s) applicable to this Rate Schedule and the respective obligations of the Parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the storage service contemplated herein and to construct and operate the gas storage facilities necessary to provide such storage service and for any connected pipeline to transport natural gas to and from the Point(s) of Receipt and Point(s) of Delivery necessary to effect the storage service provided herein.

5.1.5.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.1.6 CURTAILMENT

If, due to an emergency situation or when unexpected capacity loss occurs after scheduling, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in its Service Agreements with Customers applicable to this Rate Schedule, then capacity, withdrawals and/or injections, will be allocated according to the priority of service as set forth in

Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.1.7 RIGHT OF FIRST REFUSAL

- 5.1.7.1 Operator possesses pregranted abandonment authority and may discontinue service to Customer at the end of the primary term of any Service Agreement applicable to this Rate Schedule, or any roll-over of such Service Agreement, unless Operator and Customer mutually agree to include a right of first refusal (“ROFR”) in the Service Agreement applicable to this Rate Schedule and Customer exercises its ROFR for the storage capacity covered by that agreement by matching the best bid offered to Operator during an open season, conducted pursuant to Section 6.2.6 of the General Terms and Conditions of this FERC Gas Tariff, by any Potential Customer. Operator will negotiate with Customer such ROFR provisions in any Service Agreement on a not unduly discriminatory basis. A Customer is “qualified,” within the meaning of this Section, if that Customer meets the creditworthiness criteria set forth in Section 6.2.3 of the General Terms and Conditions of this FERC Gas Tariff.
- 5.1.7.2 Not less than twelve (12) Months prior to the expiration of a Service Agreement applicable to this Rate Schedule that includes a ROFR, Customer must provide written notice to Operator of its intent to exercise any ROFR provisions applicable under such Service Agreement. Failure by Customer to give Operator the notice specified in this section will result in the automatic abandonment of the service and the Customer’s right to storage capacity will cease at the end of the primary term.
- 5.1.7.3 In the event Customer notifies Operator in accordance with the terms of this Rate Schedule, not less than six (6) Months prior to the termination or expiration of an Service Agreement applicable to this Rate Schedule that contains a ROFR, an open season will be held for the capacity under the expiring Service Agreement. This open season will be conducted pursuant to the terms and conditions set forth in Section 6.2.6 of the General Terms and Conditions of this FERC Gas Tariff.
- 5.1.7.4 Bids from qualified Potential Customers who desire, in whole or in part, the capacity to be made available upon the expiration or termination of a Service Agreement applicable to this Rate Schedule that includes a ROFR must be received by Operator within the timeframe set forth in the open season notice. Upon expiration of the open season, Operator will select the best bid received from a qualified Potential Customer and communicate the terms of that bid to the Customer, who may elect, within ten (10) Days, or such greater time as Operator may specify, to execute a renewed Service Agreement upon the same terms. In determining which bid for the capacity is the best, Operator will use an objective, not unduly discriminatory methodology as set forth in Section 6.2.6 of the General Terms and Conditions of this FERC Gas Tariff.

- 5.1.7.5 If a Customer does not elect to match the terms of the best bid, its Service Agreement applicable to this Rate Schedule will expire at the conclusion of its term and Operator will be deemed to have all necessary abandonment authorization with respect to such Service. Operator may enter into a new Service Agreement with the qualified Potential Customer who submitted the best bid.
- 5.1.7.6 Regardless of any bids received, Operator shall retain the right to require a minimum rate or term of Service, which shall be market-based, for bids during any such open season.
- 5.1.7.7 If during the open season, Operator receives no bids or rejects all bids, Customer and Operator may negotiate for continuation of service under mutually satisfactory rates, terms, and conditions. In no event, however, will such continued service be provided at a rate lower than the best bid by a qualified Potential Customer during the open season.

5.1.8 EXPIRATION OF TERM

- 5.1.8.1 At least ten (10) Business Days prior to the expiration of any primary term or renewed term of Customer's Service Agreement applicable to this Rate Schedule, Operator shall notify Customer to withdraw all Storage Inventory held by Operator for Customer's account. Operator's notice to Customer may be given verbally but shall be confirmed in writing by way of email or facsimile at Operator's option to Customer. Before the end of the contract term, Customer must either physically withdraw the Storage Inventory or indicate to Operator in writing that it desires to have Operator cash out the Storage Inventory on mutually agreeable terms. If, by midnight on the last Day of the contract term, Customer neither has withdrawn such Storage Inventory nor indicated in writing to Operator that it desires to exercise the cash-out option, then Operator may take, free and clear of any adverse claims or obligation to Customer, title to such Storage Inventory quantities as Customer was required to withdraw or cash out; provided, however, that if Customer was unable to withdraw its Storage Inventory quantities due to an interruption of Customer's withdrawal service during the last ten (10) days before termination, Customer shall be allowed to withdraw its gas within a reasonable period following the end of the contract term.
- 5.1.8.2 In the event that Operator retains and takes title to any of Customer's Storage Inventory pursuant to this Section 5.1.8, Operator shall dispose of such Storage Inventory by auction and shall credit net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.1.8.3 Operator shall charge Customer any transportation charge incurred by Operator

at the Operator interconnections with other pipelines that are applicable to the cash-out of inventory balances pursuant to Section 5.1.8.1 herein.

5.1.9 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.2 - RATE SCHEDULE ISS
Interruptible Storage Service

5.2.1 AVAILABILITY

Interruptible service under this Rate Schedule is available from Operator to any Customer, provided that:

- 5.2.1.1 Operator has determined that it has sufficient facilities and available and uncommitted storage capacity and injection and withdrawal capacity to perform service requested by Customer;
- 5.2.1.2 Customer has submitted a valid request for service and executed an interruptible storage service agreement with Operator,
- 5.2.1.3 Customer accepts responsibility for arranging any transportation service required for utilization of the storage service provided under this rate schedule;
- 5.2.1.4 Availability of service under this rate schedule shall be subject to a determination by Operator that service requested hereunder shall not cause a reduction in Operator's ability to provide other higher priority services;
- 5.2.1.5 Customer complies with the provisions of this Rate Schedule and with all other applicable provisions of the FERC Gas Tariff; and
- 5.2.1.6 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.2.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.2.2.1 Subject to the limitations and requirements set forth in this Rate Schedule, the General Terms and Conditions, and Customer's Service Agreement applicable to this Rate Schedule, Operator shall on an interruptible basis:
 - (a) inject quantities received by the Operator from or on behalf of Customer and designated by Customer for delivery to Customer's account, up to the Maximum Storage Quantity ("MSQ") set forth in Customer's Service Agreement applicable to this Rate Schedule, less sufficient quantities for Fuel Reimbursement;
 - (b) store quantities received by Operator from or on behalf of Customer and designated by Customer, up to the MSQ set forth in Customer's Service Agreement applicable to this Rate Schedule; and
 - (c) deliver to Customer thermally equivalent quantities of gas, up to the MSQ

set forth in Customer's Service Agreement applicable to this Rate Schedule, provided that Operator shall not be obligated under this Rate Schedule on any Day to deliver gas in excess of the Storage Inventory quantities then held in storage for Customer.

- 5.2.2.2 Service provided under this Rate Schedule shall have the priority specified in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.2.2.3 Customer shall not be permitted to increase its confirmed nomination quantities under this Rate Schedule, regardless of the quantities set forth in Customer's Service Agreement applicable to this Rate Schedule, if such increase would degrade service to a Customer with equal or higher priority.
- 5.2.2.4 Service rights under a Service Agreement applicable to this Rate Schedule may not be released.
- 5.2.2.5 To the extent storage capacity which is being utilized by an interruptible Customer under this Rate Schedule is needed by Operator in order to satisfy Operator's obligations to higher priority services or to meet system needs, Operator shall require Customer to withdraw all, or any portion of, the quantities held in storage by Operator for the account of Customer as specified by Operator. Unless Operator otherwise agrees, Customer shall be required to make ratable withdrawals. If Customer fails to withdraw such storage quantities as directed by Operator, then Operator may take, free and clear of any adverse claims, title to such storage inventory that Operator instructed Customer to withdraw. Operator's notice to Customer may be given by telephone, but shall be confirmed in writing by way of e-mail or facsimile to Customer.

5.2.3 RATES AND CHARGES

- 5.2.3.1 Applicable Charges. The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule, Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Service Agreement applicable to this Rate Schedule.
 - (a) Capacity Charge. A capacity charge, as set forth in Exhibit A of the Service Agreement applicable to this Rate Schedule, multiplied by the maximum Dth quantity of Customer's gas held in Operator's storage facilities on each Day of the Month.
 - (b) Injection Charge. A usage charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth injected per Month, for Customer's account, into Operator's facilities pursuant to Section 5.2.2.1(a) of this Rate Schedule.

- (c) **Withdrawal Charge.** A usage charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth withdrawn per Month, for Customer's account, from Operator's facilities pursuant to Section 5.2.2.1(c) of this Rate Schedule.
- (d) **Fuel Reimbursement.** The amount of Customer's gas for fuel and losses determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff at the rates set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule.
- (e) **Title Transfer Charge.** A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.
- (f) **Regulatory Fees and Charges.** Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in Customer's Service Agreement applicable to this Rate Schedule.
- (g) **Taxes.** Customer shall reimburse Operator for all property or other taxes associated with the quantities held for Customer in storage under this Rate Schedule. Operator shall invoice Customer periodically for all taxes, if any, attributable to the injection, storage or withdrawal of gas.

5.2.3.2 **Adjustments.** The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.2.4 MONTHLY BILL

The monthly bill for interruptible storage service shall reflect the applicable charges set forth under Section 5.2.3 of this Rate Schedule at rates set forth in Customer's Service Agreement applicable to this Rate Schedule.

5.2.5 TERM

The term for service under this Rate Schedule shall be as set forth in Customer's Service Agreement applicable to this Rate Schedule.

5.2.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.2.6.1 Customer's Service Agreement applicable to this Rate Schedule and the respective obligations of the parties hereunder are subject to all valid laws,

orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the Commission, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the storage service contemplated herein and to construct and operate the facilities necessary to provide such service and for any connected pipeline to transport natural gas to/from the Point of Receipt/Delivery necessary to effect the service provided for herein.

- 5.2.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.2.7 CURTAILMENT

- 5.2.7.1 If, due to an emergency situation or when unexpected capacity loss occurs after scheduling, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in Exhibit A of its Service Agreements with Customers applicable to this Rate Schedule, then capacity, withdrawals and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.2.7.2 In the event that Operator determines, in its sole discretion, that some or all Interruptible storage service(s) must be interrupted in order to satisfy Operator's obligations to Firm storage service Customers, or that such interruption is otherwise necessary or is otherwise appropriate to avoid adverse impact on the operation of Operator's Facility, Operator will notify any affected Customer receiving Interruptible storage service of Customer's requirement to reduce its Interruptible Storage Inventory(s) over the period specified in the notice. Such notice shall be issued to Customers, by way of email or facsimile at Operator's option, on a price basis, where lower price services will be noticed before higher price services. At a minimum, Customers will have one Day in which to comply with the notice.
- 5.2.7.3 If Customer fails to comply with the notice given in accordance with the section above, Operator shall cash out the balance quantity that Customer was advised, but failed to reduce or eliminate, at the highest of the "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price, plus ten percent (10%) for negative Interruptible Storage Inventories, or less ten percent

(10%) for positive Interruptible Storage Inventories.

- 5.2.7.4 Operator may issue a notice requiring any Customer with an Interruptible Storage Inventory of less than 50 Dth to eliminate its existing Interruptible Storage Inventory within thirty (30) Days. Such notice shall be issued by Operator to Customer by way of email or facsimile at Operator's option. If Customer fails to comply with this notice, any positive Interruptible Storage Inventory remaining after thirty (30) days will be cashed out at 80% of the lowest of the "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price calculated during the thirty (30) Day period, and any negative Interruptible Storage Inventory remaining after thirty (30) Days will be cashed out at 120% of the highest "Gas Daily" "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price calculated during the thirty (30) Day period.
- 5.2.7.5 In the event that the prices referenced in this Section 5.2.7 are no longer available or valid, Operator will file to change its tariff and may, at its discretion, select a representative price in the interim period, subject to refund. In the event that a more representative posting is established, Operator will file to change its tariff to incorporate that posting.
- 5.2.7.6 Operator shall charge Customer any transportation charge incurred by Operator at the Operator interconnections with other pipelines that are applicable to the cash-out of inventory balances pursuant to Sections 5.2.7.3 and 5.2.7.4 herein.

5.2.8 EXPIRATION OF TERM

- 5.2.8.1 At least ten (10) Business Days prior to the end of the primary term or any renewed term specified in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, Operator shall notify Customer to withdraw all of the gas quantities under this Rate Schedule held in storage by Operator for the account of Customer; provided, however, any Agreement that has a primary term or renewed term of ten (10) business days or less shall not require such foregoing notice but shall be deemed to have been given upon the first day of the respective primary term or renewed term of such Agreement. Operator's notice to Customer may be given verbally, but shall be confirmed in writing by way of email or facsimile at Operator's option to Customer. Before the end of the term stated in Exhibit A of Customer's Services Agreement under this Rate Schedule, Customer must either physically withdraw the gas or indicate to Operator in writing that it desires to have Operator cash out the gas on mutually agreeable terms. If, by midnight on the last Day of the term of Customer's Services Agreement under this Rate Schedule, Customer neither has withdrawn the gas nor indicated in writing to Operator that it desires to exercise the cash out option for the gas, then Operator may take, free and clear of any adverse claims, title to such gas as Customer was required to withdraw or cash out; provided, however, that if Customer was unable to withdraw the gas due to an

interruption of Customer's withdrawal service during the last ten (10) days before termination, Customer shall be allowed to withdraw the gas within a reasonable period following the end of the contract term.

5.2.8.2 In the event that Operator retains and takes title to any of Customer's storage quantities pursuant to this Section 5.2.8, Operator shall dispose of such storage quantities by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.

5.2.9 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.3 - RATE SCHEDULE EPS
Enhanced Interruptible Parking Service

5.3.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of enhanced parking service from Operator, provided that:

- 5.3.1.1 Operator has determined that it has sufficient operationally available storage capacity, injection or withdrawal capacity to perform service requested by Customer;
- 5.3.1.2 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority services;
- 5.3.1.3 Customer and Operator have executed an Enhanced Hub Services Agreement under this rate schedule;
- 5.3.1.4 Customer accepts responsibility for arranging any transportation service required for utilization of the enhanced parking service provided under this rate schedule; and
- 5.3.1.5 Service under this Rate Schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.3.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.3.2.1 This rate schedule shall apply to all enhanced parking service rendered by Operator to Customer at Operator's facilities pursuant to an executed Enhanced Hub Services Agreement and applicable exhibits.
- 5.3.2.2 Enhanced parking service rendered by Operator to Customer under this rate schedule shall consist of the receipt, injection, storage, withdrawal and delivery of Customer's gas, on an interruptible basis, by Operator. Service under this rate schedule includes:
 - (a) The daily injection of Customer's gas per Customer's nomination up to the Maximum Daily Injection Quantity ("MDIQ") stated in Exhibit A of the Enhanced Hub Services Agreement with Customer, provided that all higher priority service nominations for injection have been satisfied, that Customer's Park Quantity is less than the Maximum Park quantity set forth in Exhibit A of the Enhanced Hub Services Agreement, and Customer delivers the nominated quantity plus fuel reimbursement to the Point(s) of Receipt located on Operator's Facility, provided Customer's Park Balance has not exceeded Customer's Maximum Park Quantity;

- (b) The storage of gas in amounts up to Customer's Maximum Park Quantity ("MPQ") stated in Exhibit A of the Enhanced Hub Services Agreement with Customer, provided that all high priority service storage needs have been satisfied; and
 - (c) The daily withdrawal and delivery of Customer's gas per Customer's nomination to the Point(s) of Delivery located on Operator's Facility up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ") stated in Exhibit A of the Enhanced Hub Services Agreement with Customer, provided that all high priority service nominations for withdrawal have been satisfied, and that Customer has sufficient gas stored in Customer's Park Balance.
- 5.3.2.3 To the extent storage capacity which is being utilized by an interruptible Customer hereunder is needed by Operator in order to satisfy Operator's obligations to higher priority services, Operator shall require Customer to withdraw all, or any portion of, the EPS gas quantities held in storage by Operator for the account of Customer as specified by Operator. Unless Operator otherwise agrees, Customer shall be required to make ratable withdrawals. If Customer fails to withdraw such EPS Park Balance, then Operator may take, free and clear of any adverse claims, title to such EPS Park Balance as Customer was instructed to withdraw. Operator's notice to Customer may be given verbally, but shall be confirmed in writing by way of e-mail or facsimile to the customer. In the event that Operator retains and takes title to any of Customer's gas pursuant to this section, Operator shall dispose of such gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.3.2.4 Customer shall be permitted to combine the interruptible injection, storage, or withdrawal and delivery of gas available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined services shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.3.2.5 Provided the receipt of Gas from Customer and the injection of such Gas into storage can be accomplished by Operator without detriment to Operator's facilities and/or Operator's ability to meet its firm obligations, Operator may, upon request of Customer and after confirmation by Customer's Transporter, schedule and inject quantities of Gas in excess of Customer's MDIQ, provided that Customer's Park Balance has not exceeded the Maximum Park Quantity

specified in Exhibit A to Customer's Enhanced Hub Services Agreement. Such excess quantities shall be deemed to be Excess Injection Gas.

- 5.3.2.6 Provided the withdrawal of Gas from storage and delivery of such Gas to Customer can be accomplished by Operator without detriment to Operator's facilities and/or Operator's ability to meet its firm obligations, Operator may, upon request of Customer and after confirmation by Customer's Transporter, schedule and withdraw quantities of Gas in excess of Customer's MDWQ, provided that Customer has sufficient Gas Stored in Customer's Park Balance. Such excess quantities shall be deemed to be Excess Withdrawal Gas.

5.3.3 RATES AND CHARGES

- 5.3.3.1 Applicable Charges. The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule, Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Enhanced Hub Services Agreement applicable to this Rate Schedule.

- (a) Enhanced Parking Capacity Charge. A capacity charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's Maximum Park Quantity pursuant to Section 5.3.2 of this Rate Schedule.
- (b) Enhanced Parking Injection Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's gas injected into Operator facilities pursuant to Section 5.3.2 of this Rate Schedule.
- (c) Enhanced Parking Withdrawal Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's gas withdrawn from Operator's facilities pursuant to Section 5.3.2 of this Rate Schedule.
- (d) Excess Parking Injection Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's gas injected into Operator's facilities pursuant to Section 5.3.2.4 of this Rate Schedule.
- (e) Excess Parking Withdrawal Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's gas withdrawn from Operator's facilities pursuant to Section 5.3.2.5 of this Rate Schedule.
- (f) Fuel Reimbursement. The amount of Customer's gas for fuel and losses

specified in Exhibit A of Customer's Enhanced Hub Services Agreement determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff.

- (g) Title Transfer Charge. A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.
- (h) Regulatory Fees and Charges. Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in the Enhanced Hub Services Agreement.
- (i) Taxes. Customer shall reimburse Operator for all applicable taxes as may be assessed Operator, as set forth in Exhibit A of the Enhanced Hub Services Agreement.

5.3.3.2 Adjustments. The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.3.4 INVOICE

The invoice for interruptible parking service shall reflect the applicable charges set forth under Section 5.3.3 of this rate schedule at rates and terms set forth in Exhibit A of Customer's Enhanced Hub Services Agreement.

5.3.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of Customer's Enhanced Hub Services Agreement.

5.3.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.3.6.1 The Enhanced Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, or requisite authorization for Operator to provide the parking service contemplated herein and to construct and operate the gas storage facilities necessary to provide such enhanced parking service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the enhanced parking service provided for herein.

5.3.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.3.7 CURTAILMENT

5.3.7.1 If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in Exhibit A of its Hub Services Agreements with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.3.7.2 In the event that Operator determines, in its sole discretion, that some or all Enhanced Interruptible storage service(s) must be interrupted in order to satisfy Operator's obligations to Firm storage service Customers, or that such interruption is otherwise necessary or is otherwise appropriate to avoid adverse impact on the operation of Operator's Facility, Operator will notify any affected Customer receiving Enhanced Interruptible storage service of Customer's requirement to reduce its Enhanced Interruptible Storage Inventory(s) over the period specified in the notice. Such notice shall be issued to Customers, by way of email or facsimile at Operator's option, on a price basis, where lower price services will be noticed before higher price services. At a minimum, Customers will have one Day in which to comply with the notice.

5.3.7.3 If Customer fails to comply with the notice given in accordance with the section above, Operator shall cash out the balance quantity that Customer was advised, but failed to reduce or eliminate, at the highest of the "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price, plus ten percent (10%) for negative Interruptible Storage Inventories, or less ten percent (10%) for positive Interruptible Storage Inventories.

5.3.7.4 Operator may issue a notice requiring any Customer with an Enhanced Interruptible Storage Inventory of less than 50 Dth to eliminate its existing Enhanced Interruptible Storage Inventory within thirty (30) Days. Such notice shall be issued by Operator to Customer by way of email or facsimile at Operator's option. If Customer fails to comply with this notice, any positive Enhanced Interruptible Storage Inventory remaining after thirty (30) days will

be cashed out at 80% of the lowest of the “Gas Daily” “Texas Eastern, M-1” or the “Gas Daily” “Tennessee La, 500 Leg” index price calculated during the thirty (30) Day period, and any negative Interruptible Storage Inventory remaining after thirty (30) Days will be cashed out at 120% of the highest “Gas Daily” “Gas Daily” “Texas Eastern, M-1” or the “Gas Daily” “Tennessee La, 500 Leg” index price calculated during the thirty (30) Day period.

- 5.3.7.5 In the event that the prices referenced in this Section 5.3.7 are no longer available or valid, Operator will file to change its tariff and may, at its discretion, select a representative price in the interim period, subject to refund. In the event that a more representative posting is established, Operator will file to change its tariff to incorporate that posting.
- 5.3.7.6 Operator shall charge Customer any transportation charge incurred by Operator at the Operator interconnections with other pipelines that are applicable to the cash-out of inventory balances pursuant to Sections 5.3.7.3 and 5.3.7.4 herein.

5.3.8 EXPIRATION OF TERM

- 5.3.8.1 At least ten (10) Business Days prior to the end of the primary term or any renewed term specified in Exhibit A of Customer’s Service Agreement applicable to this Rate Schedule, Operator shall notify Customer to withdraw all of the gas quantities under this Rate Schedule held in storage by Operator for the account of Customer; provided, however, any Agreement that has a primary term or renewed term of ten (10) business days or less shall not require such foregoing notice but shall be deemed to have been given upon the first day of the respective primary term or renewed term of such Agreement. Operator’s notice to Customer may be given verbally, but shall be confirmed in writing by way of email or facsimile at Operator’s option to Customer. Before the end of the term stated in Exhibit A of Customer’s Services Agreement under this Rate Schedule, Customer must either physically withdraw the gas or indicate to Operator in writing that it desires to have Operator cash out the gas on mutually agreeable terms. If, by midnight on the last Day of the term of Customer’s Services Agreement under this Rate Schedule, Customer neither has withdrawn the gas nor indicated in writing to Operator that it desires to exercise the cash out option for the gas, then Operator may take, free and clear of any adverse claims, title to such gas as Customer was required to withdraw or cash out; provided, however, that if Customer was unable to withdraw the gas due to an interruption of Customer’s withdrawal service during the last ten (10) days before termination, Customer shall be allowed to withdraw the gas within a reasonable period following the end of the contract term.
- 5.3.8.2 In the event that Operator retains and takes title to any of Customer’s gas pursuant to this section, Operator shall dispose of such gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General

Terms and Conditions of this FERC Gas Tariff.

5.3.9 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.4 - RATE SCHEDULE ELS
Enhanced Interruptible Loan Service

5.4.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of enhanced loan service from Operator, provided that:

5.4.1.1 Operator has determined that it has sufficient operationally available storage capacity, Operator gas and injection or withdrawal capacity to perform service requested by Customer;

5.4.1.2 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority services;

5.4.1.3 Customer and Operator have executed an Enhanced Hub Services Agreement under this rate schedule;

5.4.1.4 Customer accepts responsibility for arranging any transportation service required for utilization of the enhanced loan service provided under this rate schedule; and

5.4.1.5 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities or obtain Operator gas to enable Operator to perform the requested services.

5.4.2 APPLICABILITY AND CHARACTER OF SERVICE

5.4.2.1 This rate schedule shall apply to all enhanced loan service rendered by Operator to Customer at Operator's facilities pursuant to an executed Enhanced Hub Services Agreement.

5.4.2.2 Enhanced loan service rendered by Operator to Customer under this rate schedule shall be on an interruptible basis and consist of:

- (a) the advancement to Customer, upon nomination and subsequent confirmation, of daily quantities of gas in storage up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ") stated in Exhibit A of the Enhanced Hub Services Agreement with Customer, provided that all higher priority service nominations for withdrawal have been satisfied and system needs allow;
- (b) the replacement of gas advanced by Operator to Customer at a time to be agreed upon as set forth in Exhibit A of the Enhanced Hub Services Agreement with Customer. If Customer fails to replace gas advanced by Operator to Customer under this Rate Schedule at the agreed upon time,

Operator may purchase replacement gas and Customer shall pay Operator the cost of the replacement gas, which shall include the actual cost of replacement gas supplies and any additional costs or penalties incurred by Operator or its Customers as a result of Customer's failure to deliver replacement gas, plus all other costs incurred by Operator to secure such replacement gas, including but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement gas.

- 5.4.2.3 To the extent Operator gas which is advanced to an interruptible Customer hereunder is needed by Operator in order to satisfy Operator's obligations to higher priority services or to meet system needs, Operator may at its sole discretion and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and require Customer to replace or replenish all, or any portion, of the gas quantities advanced to Customer under this Rate Schedule at a time determined by Operator. Unless Operator otherwise agrees, Customer shall be required to make ratable injections of such replacement gas. If Customer fails to replace or replenish advanced gas to Operator at the agreed upon time, Operator may purchase replacement gas and Customer shall pay Operator the cost of the replacement gas, which includes the actual cost of replacement supplies and any costs or penalties incurred by Operator or its Customers as a result of Customer's failure to deliver replacement gas, plus all other costs incurred by Operator to secure such replacement gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement gas.
- 5.4.2.4 Customer shall be permitted to combine the interruptible loan service available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined services shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.4.2.5 Provided the receipt of Gas from Customer and the injection of such Gas into storage can be accomplished by Operator without detriment to Operator's facilities and/or Operator's ability to meet its firm obligations, Operator may, upon request of Customer and after confirmation by Customer's Transporter, schedule and inject quantities of Gas in excess of Customer's MDIQ, provided that Customer's resulting Loan Balance is equal to or greater than zero and equal to or less than the Maximum Loan Quantity specified in Exhibit A to Customer's Enhanced Hub Services Agreement. Such excess quantities shall be deemed to be Excess Injection Gas.

5.4.2.6 Provided the withdrawal of Gas from storage and delivery of such Gas to Customer can be accomplished by Operator without detriment to Operator's facilities and/or Operator's ability to meet its firm obligations, Operator may, upon request of Customer and after confirmation by Customer's Transporter, schedule and withdraw quantities of Gas in excess of Customer's MDWQ, provided that Customer's resulting loan balance is equal to or greater than zero and equal to or less than the Maximum Loan Quantity specified in Exhibit A to Customer's Enhanced Hub Services Agreement. Such excess quantities shall be deemed to be Excess Withdrawal Gas.

5.4.3 RATES AND CHARGES

5.4.3.1 Applicable Charges. The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Enhanced Hub Services Agreement applicable to this Rate Schedule.

- (a) Enhanced Loan Capacity Charge. A capacity charge for each Dth of Customer's Maximum Loan Quantity specified in Exhibit A of Customer's Enhanced Hub Services Agreement pursuant to Section 5.4.2 of this Rate Schedule.
- (b) Enhanced Loan Injection Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of gas injected into Operator's facilities pursuant to Section 5.4.2 of this rate schedule.
- (c) Enhanced Loan Withdrawal Charge. A usage charge specified in Exhibit A of the Customer's Enhanced Hub Services Agreement for each Dth gas withdrawn from Operator's facilities pursuant to Section 5.4.2 of this rate schedule.
- (d) Excess Loan Injection Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's gas injected into Operator's facilities pursuant to Section 5.4.2.5 of this Rate Schedule.
- (e) Excess Loan Withdrawal Charge. A usage charge specified in Exhibit A of Customer's Enhanced Hub Services Agreement for each Dth of Customer's gas withdrawn from Operator's facilities pursuant to Section 5.4.2.6 of this Rate Schedule.
- (f) Fuel Reimbursement. The amount of Customer's gas for fuel and losses specified in Exhibit A of Customer's Enhanced Hub Services Agreement

determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff.

- (g) Title Transfer Charge. A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.
- (h) Regulatory Fees and Charges. Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this rate schedule, as set forth in the Enhanced Hub Services Agreement.
- (i) Taxes. Customer shall reimburse Operator for all applicable taxes as may be assessed Operator, as set forth in Exhibit A of the Enhanced Hub Services Agreement.

5.4.3.2 Adjustments. The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.4.4 INVOICE

The invoice for interruptible loan service shall reflect the applicable charges set forth under Section 5.4.3 of this rate schedule at rates and terms set forth in Exhibit A of Customer's Enhanced Hub Services Agreement.

5.4.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of the Customer's Enhanced Hub Services Agreement.

5.4.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.4.6.1 The Enhanced Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the loan service contemplated hereby and to construct and operate the gas storage facilities necessary to provide such loan service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the loan service provided for herein.

5.4.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement

applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.4.7 CURTAILMENT

If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in its Exhibit A of the Enhanced Hub Services Agreements with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.4.8 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.5 - RATE SCHEDULE IPS
Interruptible Parking Service

5.5.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of interruptible parking service from Operator, provided that:

- 5.5.1.1 Operator has determined that it has sufficient operationally available storage capacity, injection or withdrawal capacity to perform service requested by Customer;
- 5.5.1.2 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority services;
- 5.5.1.3 Customer and Operator have executed a Hub Services Agreement under this rate schedule;
- 5.5.1.4 Customer accepts responsibility for arranging any transportation service required for utilization of the parking service provided under this rate schedule; and
- 5.5.1.5 Service under this Rate Schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.5.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.5.2.1 This rate schedule shall apply to all interruptible parking service rendered by Operator to Customer at Operator's facilities pursuant to an executed Hub Services Agreement.
- 5.5.2.2 Interruptible parking service rendered by Operator to Customer under this rate schedule shall consist of the receipt, injection, storage, withdrawal and delivery of Customer's gas, on an interruptible basis, by Operator. Service under this rate schedule includes:
 - (a) The daily injection of Customer's gas per Customer's nomination up to the Maximum Daily Injection Quantity ("MDIQ") stated in Exhibit A of the Hub Services Agreement with Customer, provided that all higher priority service nominations for injection have been satisfied, that Customer's Park Quantity is less than the Maximum Park quantity set forth in Exhibit A of the Hub Services Agreement, and Customer delivers the nominated quantity plus fuel reimbursement to the Point(s) of Receipt located on Operator's Facility, provided Customer's Park Balance has not exceeded Customer's Maximum Park Quantity;

- (b) The storage of gas in amounts up to Customer's Maximum Park Quantity ("MPQ") stated in Exhibit A of the Hub Services Agreement with Customer, provided that all high priority service storage needs have been satisfied; and
- (c) The daily withdrawal and delivery of Customer's gas per Customer's nomination to the Point(s) of Delivery located on Operator's Facility up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ") stated in Exhibit A of the Hub Services Agreement with Customer, provided that all high priority service nominations for withdrawal have been satisfied, and that Customer has sufficient gas stored in Customer's Park Balance.

5.5.2.3 To the extent storage capacity which is being utilized by an interruptible Customer hereunder is needed by Operator in order to satisfy Operator's obligations to higher priority services, Operator shall require Customer to withdraw all, or any portion of, the IPS gas quantities held in storage by Operator for the account of Customer as specified by Operator. Unless Operator otherwise agrees, Customer shall be required to make ratable withdrawals. If Customer fails to withdraw such IPS Park Balance, then Operator may take, free and clear of any adverse claims, title to such IPS Park Balance as Customer was instructed to withdraw. Operator's notice to Customer may be given verbally, but shall be confirmed in writing by way of e-mail or facsimile to the customer. In the event that Operator retains and takes title to any of Customer's gas pursuant to this section, Operator shall dispose of such gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.

5.5.2.4 Customer shall be permitted to combine the Interruptible injection, storage, or withdrawal and delivery of gas available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined services shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.5.3 RATES AND CHARGES

5.5.3.1 **Applicable Charges.** The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in

Customer's Hub Services Agreement applicable to this Rate Schedule.

- (a) **Parking Capacity Charge.** A capacity charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of Customer's Maximum Park Quantity pursuant to Section 5.5.2.1(a) of this Rate Schedule.
- (b) **Parking Injection Charge.** A usage charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of Customer's gas injected into Operator facilities pursuant to Section 5.5.2.1(a) of this Rate Schedule.
- (c) **Parking Withdrawal Charge.** A usage charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of Customer's gas withdrawn from Operator's facilities pursuant to Section 5.5.2.1(a) of this Rate Schedule.
- (d) **Fuel Reimbursement.** The amount of Customer's gas for fuel and losses specified in Exhibit A of Customer's Hub Services Agreement determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff.
- (e) **Title Transfer Charge.** A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.
- (f) **Regulatory Fees and Charges.** Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this Rate Schedule, as set forth in the Hub Services Agreement.
- (g) **Taxes.** Customer shall reimburse Operator for all applicable taxes as may be assessed Operator, as set forth in Exhibit A of the Hub Services Agreement.

5.5.3.2 **Adjustments.** The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.5.4 INVOICE

The invoice for interruptible parking service shall reflect the applicable charges set forth under Section 5.5.3 of this rate schedule at rates and terms set forth in Exhibit A of Customer's Hub Services Agreement.

5.5.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of Customer's Hub Services Agreement.

5.5.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.5.6.1 The Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by FERC, and any state or local governmental agency having jurisdiction, or requisite authorization for Operator to provide the parking service contemplated herein and to construct and operate the gas storage facilities necessary to provide such parking service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the parking service provided for herein.

5.5.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.5.7 CURTAILMENT

5.5.7.1 If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in Exhibit A of its Hub Services Agreements with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.5.7.2 In the event that Operator determines, in its sole discretion, that some or all Interruptible storage service(s) must be interrupted in order to satisfy Operator's obligations to Firm storage service Customers, or that such interruption is otherwise necessary or is otherwise appropriate to avoid adverse impact on the operation of Operator's Facility, Operator will notify any affected Customer receiving Interruptible storage service of Customer's requirement to reduce its Interruptible Storage Inventory(s) over the period specified in the notice. Such notice shall be issued to Customers, by way of email or facsimile at Operator's option, on a price basis, where lower price services will be noticed before higher price services. At a minimum, Customers will have one Day in which to

comply with the notice.

- 5.5.7.3 If Customer fails to comply with the notice given in accordance with the section above, Operator shall cash out the balance quantity that Customer was advised, but failed to reduce or eliminate, at the highest of the “Gas Daily” “Texas Eastern, M-1” or the “Gas Daily” “Tennessee La, 500 Leg” index price, plus ten percent (10%) for negative Interruptible Storage Inventories, or less ten percent (10%) for positive Interruptible Storage Inventories.
- 5.5.7.4 Operator may issue a notice requiring any Customer with an Interruptible Storage Inventory of less than 50 Dth to eliminate its existing Interruptible Storage Inventory within thirty (30) Days. Such notice shall be issued by Operator to Customer by way of email or facsimile at Operator’s option. If Customer fails to comply with this notice, any positive Interruptible Storage Inventory remaining after thirty (30) days will be cashed out at 80% of the lowest of the “Gas Daily” “Texas Eastern, M-1” or the “Gas Daily” “Tennessee La, 500 Leg” index price calculated during the thirty (30) Day period, and any negative Interruptible Storage Inventory remaining after thirty (30) Days will be cashed out at 120% of the highest “Gas Daily” “Gas Daily” “Texas Eastern, M-1” or the “Gas Daily” “Tennessee La, 500 Leg” index price calculated during the thirty (30) Day period.
- 5.5.7.5 In the event that the prices referenced in this Section 5.5.7 are no longer available or valid, Operator will file to change its tariff and may, at its discretion, select a representative price in the interim period, subject to refund. In the event that a more representative posting is established, Operator will file to change its tariff to incorporate that posting.
- 5.5.7.6 Operator shall charge Customer any transportation charge incurred by Operator at the Operator interconnections with other pipelines that are applicable to the cash-out of inventory balances pursuant to Sections 5.5.7.3 and 5.5.7.4 herein.

5.5.8 EXPIRATION OF TERM

- 5.5.8.1 At least ten (10) Business Days prior to the end of the primary term or any renewed term specified in Exhibit A of Customer’s Service Agreement applicable to this Rate Schedule, Operator shall notify Customer to withdraw all of the gas quantities under this Rate Schedule held in storage by Operator for the account of Customer; provided, however, any Agreement that has a primary term or renewed term of ten (10) business days or less shall not require such foregoing notice but shall be deemed to have been given upon the first day of the respective primary term or renewed term of such Agreement. Operator’s notice to Customer may be given verbally, but shall be confirmed in writing by way of email or facsimile at Operator’s option to Customer. Before the end of the term stated in Exhibit A of Customer’s Services Agreement under this Rate Schedule, Customer must either physically withdraw the gas or indicate to Operator in writing that it desires to have Operator cash out the gas on mutually

agreeable terms. If, by midnight on the last Day of the term of Customer's Services Agreement under this Rate Schedule, Customer neither has withdrawn the gas nor indicated in writing to Operator that it desires to exercise the cash out option for the gas, then Operator may take, free and clear of any adverse claims, title to such gas as Customer was required to withdraw or cash out; provided, however, that if Customer was unable to withdraw the gas due to an interruption of Customer's withdrawal service during the last ten (10) days before termination, Customer shall be allowed to withdraw the gas within a reasonable period following the end of the contract term.

5.5.8.2 In the event that Operator retains and takes title to any of Customer's gas pursuant to this section, Operator shall dispose of such gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.

5.5.9 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.6 - RATE SCHEDULE ILS
Interruptible Loan Service

5.6.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of interruptible natural gas loan service from Operator, provided that:

- 5.6.1.1 Operator has determined that it has sufficient operationally available storage capacity, injection or withdrawal capacity to perform service requested by Customer;
- 5.6.1.2 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority services;
- 5.6.1.3 Customer and Operator have executed a Hub Services Agreement under this rate schedule;
- 5.6.1.4 Customer accepts responsibility for arranging any transportation service required for utilization of the loan service provided under this rate schedule; and
- 5.6.1.5 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.6.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.6.2.1 This rate schedule shall apply to all interruptible loan service rendered by Operator to Customer at Operator's facilities pursuant to an executed Hub Services Agreement.
- 5.6.2.2 Interruptible loan service rendered by Operator to Customer under this rate schedule shall consist of:
 - (a) the advancement to Customer, upon nomination and subsequent confirmation, of daily quantities of gas in storage up to Customer's Maximum Daily Withdrawal Quantity ("MDWQ") stated in Exhibit A of the Hub Services Agreement with Customer, provided that all higher priority service nominations for withdrawal have been satisfied and system needs allow;
 - (b) the replacement of gas advanced by Operator to Customer at a time to be agreed upon as set forth in Exhibit A of the Hub Services Agreement with Customer. If Customer fails to replace gas advanced by Operator to Customer under this Rate Schedule at the agreed upon time, Operator may purchase replacement gas and Customer shall pay Operator the cost of the

replacement gas, which shall include the actual cost of replacement gas supplies and any additional costs or penalties incurred by Operator or its Customers as a result of Customer's failure to deliver replacement gas, plus all other costs incurred by Operator to secure such replacement gas, including but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement gas.

- 5.6.2.3 To the extent Operator gas which is advanced to an interruptible Customer hereunder is needed by Operator in order to satisfy Operator's obligations to higher priority services or to meet system needs, Operator may at its sole discretion and upon giving notice to Customer, interrupt the continuation of any or all services hereunder and require Customer to replace or replenish all, or any portion, of the gas quantities advanced to Customer under this Rate Schedule at a time to be agreed upon. Unless Operator otherwise agrees, Customer shall be required to make ratable injections of such replacement gas. If Customer fails to replace or replenish advanced gas to Operator at the agreed upon time, Operator may purchase replacement gas and Customer shall pay Operator the cost of the replacement gas, which includes the actual cost of replacement supplies and any costs or penalties incurred by Operator or its Customers as a result of Customer's failure to deliver replacement gas, plus all other costs incurred by Operator to secure such replacement gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement gas.
- 5.6.2.4 Customer shall be permitted to combine the interruptible loan service available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined services shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.6.3 RATES AND CHARGES

- 5.6.3.1 **Applicable Charges.** The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Hub Services Agreement applicable to this Rate Schedule.
- (a) **Loan Capacity Charge.** A capacity charge for each Dth of Customer's Maximum Loan Quantity specified in Exhibit A of Customer's Hub Services Agreement pursuant to Section 5.6.2 of this Rate Schedule.

- (b) **Loan Injection Charge.** A usage charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of gas injected into Operator's facilities pursuant to Section 5.6.2 of this rate schedule.
- (c) **Loan Withdrawal Charge.** A usage charge specified in Exhibit A of the Customer's Hub Services Agreement for each Dth gas withdrawn from Operator's facilities pursuant to Section 5.6.2 of this rate schedule.
- (d) **Fuel Reimbursement.** The amount of Customer's gas for fuel and losses specified in Exhibit A of Customer's Hub Services Agreement determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff.
- (e) **Title Transfer Charge.** A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.
- (f) **Regulatory Fees and Charges.** Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this rate schedule, as set forth in the Hub Services Agreement.
- (g) **Taxes.** Customer shall reimburse Operator for all applicable taxes as may be assessed Operator, as set forth in Exhibit A of the Hub Services Agreement.

5.6.3.2 **Adjustments.** The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.6.4 INVOICE

The invoice for interruptible loan service shall reflect the applicable charges set forth under Section 5.6.3 of this rate schedule at rates and terms set forth in Exhibit A of Customer's Hub Services Agreement.

5.6.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of the Customer's Hub Services Agreement.

5.6.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.6.6.1 The Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly

constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the loan service contemplated hereby and to construct and operate the gas storage facilities necessary to provide such loan service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the loan service provided for herein.

5.6.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.6.7 CURTAILMENT

If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in its Exhibit A of the Hub Services Agreements with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.6.8 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.7 - RATE SCHEDULE IWS
Interruptible Wheeling Service

5.7.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of interruptible natural gas wheeling service from Operator, provided that:

- 5.7.1.1 Operator has determined that it has sufficient operationally available interruptible wheeling, receipt and delivery capacity to perform service requested by Customer;
- 5.7.1.2 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority services;
- 5.7.1.3 Customer and Operator have executed a Hub Services Agreement under this rate schedule;
- 5.7.1.4 Customer accepts responsibility for arranging any upstream and/or downstream transportation service required for utilization of the wheeling service provided under this rate schedule; and
- 5.7.1.5 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.7.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.7.2.1 This rate schedule shall apply to all interruptible wheeling service rendered by Operator to Customer at Operator's facilities pursuant to an executed Hub Services Agreement.
- 5.7.2.2 Interruptible wheeling service rendered by Operator to Customer under this rate schedule shall consist of the transportation of gas, on an interruptible basis, by Operator for Customer on Operator's Facility between agreed upon Point(s) of Receipt and Point(s) of Delivery stated in Exhibit B of the Hub Services Agreement.
- 5.7.2.3 Operator shall, on an interruptible basis, receive for Customer at Point(s) of Receipt located on Operator's Facility, and shall transport and deliver at the Point(s) of Delivery located on Operator's Facility daily quantities of gas up to Customer's interruptible Maximum Daily Wheeling Quantity; provided, however, Operator shall not be obligated to receive, transport and/or deliver quantities of gas on any Day in excess of the quantity nominated and scheduled for that Day.

- 5.7.2.4 Customer shall be permitted to combine the interruptible wheeling service available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined service shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.
- 5.7.2.5 The transportation of gas in amounts up to Customer's Maximum Daily Wheeling Quantity specified in Exhibit A of the Customer's Hub Services Agreement shall be available only in the event that all higher priority service needs have been satisfied.

5.7.3 RATES AND CHARGES

- 5.7.3.1 Applicable Charges. The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Hub Services Agreement applicable to this Rate Schedule.
- (a) Wheeling Charge. A usage charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth wheeled by Operator, or the Customer's Maximum Daily Wheeling Quantity, as applicable, pursuant to Section 5.7.2 of this Rate Schedule.
 - (b) Fuel Reimbursement. The amount of Customer's gas for fuel and losses specified in Exhibit A of Customer's Hub Services Agreement determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff.
 - (c) Regulatory Fees and Charges. Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this rate schedule, as set forth in the Hub Services Agreement.
 - (d) Taxes. Customer shall reimburse Operator for all applicable taxes as may be assessed, as set forth in Exhibit A of the Hub Services Agreement.
- 5.7.3.2 Adjustments. The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.7.4 INVOICE

The invoice for interruptible wheeling service shall reflect the applicable charges set forth under Section 5.7.3 of this rate schedule at rates and terms set forth in Exhibit A of Customer's Hub Services Agreement.

5.7.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of Customer's Hub Services Agreement.

5.7.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.7.6.1 The Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the wheeling service contemplated hereby and to construct and operate the gas wheeling facilities necessary to provide such wheeling service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the wheeling service provided for herein.

5.7.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.7.7 CURTAILMENT

If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in its Exhibit A of the Hub Services Agreements with Customers, then wheeling capacity will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.7.8 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.8 - RATE SCHEDULE IBTS
Interruptible Imbalance Trading Service

5.8.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of interruptible imbalance trading service from Operator, provided that:

- 5.8.1.1 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority services;
- 5.8.1.2 Customer and Operator have executed a Hub Services Agreement under this rate schedule;
- 5.8.1.3 Customer accepts responsibility for arranging any transportation service required for utilization of the imbalance trading service provided under this rate schedule; and
- 5.8.1.4 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.8.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.8.2.1 This rate schedule shall apply to all interruptible imbalance trading service rendered by Operator to Customer at Operator's facilities pursuant to an executed Hub Services Agreement.
- 5.8.2.2 Interruptible imbalance trading service rendered by Operator to Customer under this rate schedule shall consist of the trading of imbalance quantities by Operator for Customer at agreed upon Point(s) of Receipt and Delivery on Operator's Facility upon nomination by Customer, and shall also permit the trading of imbalance quantities among Customers.
- 5.8.2.3 In order to permit Customer to trade imbalances created under rate schedules set forth in this FERC Gas Tariff, Operator shall, on an interruptible basis, accept nominations from Customer up to the quantities set forth in Exhibit A and at the Point(s) of Receipt and Point(s) of Delivery located on Operator's Facility set forth in Exhibit B of Customer's Hub Services Agreement.
- 5.8.2.4 Further, Operator, on an interruptible basis, shall permit Customer with imbalance quantities, upon prior notification to Operator, to trade such imbalance quantities with another Customer, up to the quantities set forth in Exhibit A and at the Point(s) of Receipt and Point(s) of Delivery located on Operator's Facility set forth in Exhibit B of Customer's Hub Services Agreement.

5.8.2.5 Customer shall be permitted to combine the interruptible imbalance trading service available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined services shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.8.3 RATES AND CHARGES

5.8.3.1 The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Service Agreement applicable to this Rate Schedule.

- (a) Imbalance Trading Charge. A charge for each Dth scheduled and confirmed with Operator as an imbalance trade, including imbalance quantities traded between Customers.
- (b) Fuel Reimbursement. No fuel is required to perform Operator's imbalance trading service.
- (c) Regulatory Fees and Charges. Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this rate schedule, as set forth in Customer's Hub Services Agreement.
- (d) Taxes. Customer shall reimburse Operator for all applicable taxes as may be assessed Operator, as set forth in Exhibit A of Customer's Hub Services Agreement.

5.8.3.2 Adjustments. The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.8.4 INVOICE

The invoice for interruptible imbalance trading service shall reflect the applicable charges set forth under Section 5.8.3 of this rate schedule at rates and terms set forth in Exhibit A of Customer's Hub Services Agreement.

5.8.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of Customer's executed Hub Services Agreement.

5.8.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.8.6.1 The Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the imbalance trading service contemplated hereby and to construct and operate the gas storage facilities necessary to provide such imbalance trading service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the imbalance trading service provided for herein.

5.8.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.8.7 CURTAILMENT

If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in Exhibit A of the Hub Services Agreements with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.8.8 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

5.9 - RATE SCHEDULE IBS
Interruptible Balancing Service

5.9.1 AVAILABILITY

This rate schedule is available to any Customer for the purchase of interruptible balancing service from Operator, provided that:

- 5.9.1.1 Operator has determined that it has sufficient operationally available gas and storage, injection or withdrawal capacities to perform the service requested by Customer;
- 5.9.1.2 Operator has determined that service requested by Customer will not interfere with efficient operation of its system or with higher priority service;
- 5.9.1.3 Customer and Operator have executed a Hub Services Agreement under this rate schedule;
- 5.9.1.4 Customer accepts responsibility for arranging any transportation service required for utilization of the balancing service provided under this rate schedule; and
- 5.9.1.5 Service under this rate schedule may not be available to the extent that Operator would be required to construct, modify, expand or acquire any facilities to enable Operator to perform the requested services.

5.9.2 APPLICABILITY AND CHARACTER OF SERVICE

- 5.9.2.1 This rate schedule shall apply to all interruptible balancing service rendered by Operator to Customer at Operator's facilities pursuant to an executed Hub Services Agreement.
- 5.9.2.2 Interruptible balancing service rendered by Operator to Customer under this rate schedule shall consist of the receipt, injection, storage, withdrawal and delivery of quantities of gas in order to manage imbalances created by Customer under rate schedules set forth in this FERC Gas Tariff. Service under this Rate Schedule includes:
 - (a) The daily receipt and injection of Customer's gas per Customer's nomination which is in excess of the quantity of gas delivered to any Point(s) of Delivery per Customer's nomination under rate schedules set forth in this FERC Gas Tariff, provided that all higher priority service nominations for injection have been satisfied, that Customer has Storage Capacity available and Customer delivers the nominated quantity, plus fuel reimbursement, to the Point(s) of Receipt located on Operator's Facility;

- (b) The storage of gas in amounts up to Customer's interruptible Maximum Balance Quantity ("MBQ"), provided that all higher priority service storage and system needs have been satisfied; or
- (c) The daily withdrawal and delivery of Operator's or Customer's gas per Customer's nomination to the Point(s) of Delivery located on Operator's Facility which is in excess of the quantity of gas received by Operator at any Point(s) of Receipt per Customer's nomination under rate schedules set forth in this FERC Gas Tariff, provided that all higher priority service nominations for withdrawal and system needs have been satisfied, and that Customer or Operator has sufficient gas stored in Interruptible Storage Inventory.

5.9.2.3 To the extent Interruptible storage capacity or gas which is being utilized by an Interruptible Customer hereunder is needed by Operator in order to satisfy Operator's obligations to Firm Customers, Operator shall require Customer to withdraw or inject all, or any portion of, the IBS gas quantities held or loaned by Operator for the account of Customer as specified by Operator. Unless Operator otherwise agrees, Customer shall be required to make ratable injections or withdrawals. If Customer fails to inject or withdraw such IBS storage gas, then Operator may take, free and clear of any adverse claims, title to such IBS Storage Inventory as Customer was instructed to withdraw. If Customer fails to inject such IBS storage gas, then Operator may purchase replacement gas and Customer shall pay Operator the cost of the replacement gas, which includes the actual cost of replacement supplies and any costs or penalties incurred by Operator or its Customers as a result of Customer's failure to deliver replacement gas, plus all other costs incurred by Operator to secure such replacement gas, including, but not limited to, third-party marketing fees, transportation by third-party pipeline companies, and all other costs for securing replacement gas. Operator's notice to Customer may be given verbally, but shall be confirmed in writing by way of e-mail or facsimile to the Customer. In the event that Operator retains and takes title to any of Customer's gas pursuant to this section, Operator shall dispose of such gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.

5.9.2.4 Customer shall be permitted to combine the interruptible receipt, injection, storage, or withdrawal and delivery of gas available under this rate schedule with any service available under any other rate schedule set forth in this FERC Gas Tariff; provided, however, such combined services shall be subject to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff; and, provided, further, that priority for each service shall be determined by the respective priority of that service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of

this FERC Gas Tariff.

5.9.3 RATES AND CHARGES

5.9.3.1 Applicable Charges. The charges to be paid by Customer shall be mutually agreed to by Operator and Customer. For all service rendered under this Rate Schedule Customer shall pay Operator each Month the charges set forth below, unless otherwise mutually agreed to by Operator and Customer and specified in Customer's Service Agreement applicable to this Rate Schedule.

- (a) Balancing Charge. A capacity charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of gas stored in Operator's facilities under this rate schedule.
- (b) Balancing Injection Charge. A usage charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of gas injected into Operator's facilities pursuant to Section 5.9.2.2(a) of this rate schedule.
- (c) Balancing Withdrawal Charge. A usage charge specified in Exhibit A of Customer's Hub Services Agreement for each Dth of gas withdrawn from Operator's facilities pursuant to Section 5.9.2.2(c) of this rate schedule.
- (d) Fuel Reimbursement. The amount of Customer's gas for fuel and losses specified in Exhibit A of Customer's Hub Services Agreement determined in accordance with Section 6.14 (Fuel Reimbursement) of the General Terms and Conditions of this FERC Gas Tariff.
- (e) Title Transfer Charge. A charge, as set forth in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, for each Dth transferred per Month for Customer's account.
- (f) Regulatory Fees and Charges. Customer shall reimburse Operator for all fees and charges, as required by the Commission or any other regulatory body, that are related to service provided under this rate schedule, as set forth in Customer's Hub Services Agreement.
- (g) Taxes. Customer shall reimburse Operator for all applicable taxes as may be assessed Operator, as set forth in Exhibit A of Customer's Hub Services Agreement.

5.9.3.2 Adjustments. The charges and surcharges described in this Rate Schedule are subject to adjustment in accordance with the procedures set forth in the General Terms and Conditions of this FERC Gas Tariff.

5.9.4 INVOICE

The invoice for interruptible balancing service shall reflect the applicable charges set forth under Section 5.9.3 of this Rate Schedule at rates and terms set forth in Exhibit A of Customer's Hub Services Agreement.

5.9.5 TERM

The term for service under this rate schedule shall be as set forth in Exhibit A of the Hub Services Agreement.

5.9.6 AUTHORIZATION, RATES, TERMS AND CHANGES

5.9.6.1 The Hub Services Agreement and the respective obligations of the parties hereunder are subject to all valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction, and are conditioned upon the issuance, by the FERC, and any state or local governmental agency having jurisdiction, of requisite authorization for Operator to provide the balancing service contemplated hereby and to construct and operate the gas storage facilities necessary to provide such balancing service and for any connected pipeline to transport natural gas to/from the Point(s) of Receipt/Delivery necessary to effect the balancing service provided for herein.

5.9.6.2 Operator shall have the right to propose to the Commission or other governing regulatory body such changes in its rates and terms of service as it deems necessary and unless otherwise agreed in an executed Service Agreement applicable to this Rate Schedule, such Service Agreement shall be deemed to include any changes which are made effective pursuant to order or regulation or provisions of law, without prejudice to Customer's right to protest the same; provided, however, that any negotiated rates between Operator and its Customer(s) shall remain in effect during the term of Customer's Service Agreement(s) applicable to this Rate Schedule.

5.9.7 CURTAILMENT

5.9.7.1 If, due to any cause whatsoever, Operator's capability to receive or deliver quantities is impaired so that Operator is unable to receive or deliver the quantities provided for in Exhibit A of the Hub Services Agreements with Customers, then capacity, withdrawals, and/or injections will be allocated according to the priority of service as set forth in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of the General Terms and Conditions of this FERC Gas Tariff.

5.9.7.2 In the event that Operator determines, in its sole discretion, that some or all Interruptible storage service(s) must be interrupted in order to satisfy Operator's

obligations to Firm storage service Customers, or that such interruption is otherwise necessary or is otherwise appropriate to avoid adverse impact on the operation of Operator's Facility, Operator will notify any affected Customer receiving Interruptible storage service that they are required to reduce their Interruptible Storage Inventory(s) over the period specified in the notice. Such notice shall be issued to Customers, by way of email or facsimile at Operator's option, on a price basis, where lower price services will be noticed before higher price services. At a minimum, Customers will have one Day in which to comply with the notice.

- 5.9.7.3 If Customer fails to comply with the notice given in accordance with section above, Operator shall cash out the balance quantity that Customer was advised, but failed to reduce or eliminate, at the highest of the "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price, plus ten percent (10%) for negative Interruptible Storage Inventories, or less ten percent (10%) for positive Interruptible Storage Inventories.
- 5.9.7.4 Operator may issue a notice requiring any Customer with an Interruptible Storage Inventory of less than 50 Dth to eliminate its existing Interruptible Storage Inventory within thirty (30) Days. Such notice shall be issued by Operator to Customer by way of email or facsimile at Operator's option. If Customer fails to comply with this notice, any positive Interruptible Storage Inventory remaining after thirty (30) days will be cashed out at 80% of the lowest of the "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price calculated during the thirty (30) Day period, and any negative Interruptible Storage Inventory remaining after thirty (30) Days will be cashed out at 120% of the highest "Gas Daily" "Gas Daily" "Texas Eastern, M-1" or the "Gas Daily" "Tennessee La, 500 Leg" index price calculated during the thirty (30) Day period.
- 5.9.7.5 In the event that the prices referenced in this Section 5.9.7 are no longer available or valid, Operator will file to change its tariff and may, at its discretion, select a representative price in the interim period, subject to refund. In the event that a more representative posting is established, Operator will file to change its tariff to incorporate that posting.
- 5.9.7.6 Operator shall charge Customer any transportation charge incurred by Operator at the Operator interconnections with other pipelines that are applicable to the cash-out of inventory balances pursuant to Sections 5.9.7.3 and 5.9.7.4 herein.

5.9.8 EXPIRATION OF TERM

- 5.9.8.1 At least ten (10) Business Days prior to the end of the primary term or any renewed term specified in Exhibit A of Customer's Service Agreement applicable to this Rate Schedule, Operator shall notify Customer to withdraw all of the gas quantities under this Rate Schedule held in storage by Operator for

the account of Customer; provided, however, any Agreement that has a primary term or renewed term of ten (10) business days or less shall not require such foregoing notice but shall be deemed to have been given upon the first day of the respective primary term or renewed term of such Agreement. Operator's notice to Customer may be given verbally, but shall be confirmed in writing by way of email or facsimile at Operator's option to Customer. Before the end of the term stated in Exhibit A of Customer's Services Agreement under this Rate Schedule, Customer must either physically withdraw the gas or indicate to Operator in writing that it desires to have Operator cash out the gas on mutually agreeable terms. If, by midnight on the last Day of the term of Customer's Services Agreement under this Rate Schedule, Customer neither has withdrawn the gas nor indicated in writing to Operator that it desires to exercise the cash out option for the gas, then Operator may take, free and clear of any adverse claims, title to such gas as Customer was required to withdraw or cash out; provided, however, that if Customer was unable to withdraw the gas due to an interruption of Customer's withdrawal service during the last ten (10) days before termination, Customer shall be allowed to withdraw the gas within a reasonable period following the end of the contract term.

- 5.9.8.2 In the event that Operator retains and takes title to any of Customer's gas pursuant to this section, Operator shall dispose of such gas by auction and shall credit the net proceeds received from such auction in accordance with the provisions of Section 6.28 (Disposition of Retained Quantities) of the General Terms and Conditions of this FERC Gas Tariff.

5.9.9 GENERAL TERMS AND CONDITIONS

Applicable provisions of the General Terms and Conditions of this FERC Gas Tariff, as such provisions may be amended from time to time, are hereby incorporated by reference and made a part of this Rate Schedule, where applicable, and shall supplement the terms and conditions governing service rendered hereunder, as though stated herein.

GENERAL TERMS AND CONDITIONS

Except where expressly stated otherwise, the General Terms and Conditions of the currently effective FERC Gas Tariff of Monroe Gas Storage Company, LLC (“Operator”) shall apply to all natural gas services rendered by Operator under any Service Agreement, including, but not limited to, service under Rate Schedules FSS, ISS, EPS, ELS, IPS, ILS, IWS, IBTS, and IBS.

6.1 DEFINITIONS

- 6.1.1 "Authorized Overrun Quantities" shall mean quantities of gas which Operator agrees, in its sole discretion, to inject, withdraw or store for Customer, in excess of Customer's Maximum Daily Injection Quantity, Maximum Daily Withdrawal Quantity, Maximum Storage Quantity, Maximum Daily Balancing Quantity, Maximum Hourly Injection Quantity, Maximum Hourly Withdrawal Quantity, as established in Exhibit A of Customer's Service Agreement.
- 6.1.2 "Bcf" means one billion (1,000,000,000) cubic feet.
- 6.1.3 "Btu" means one British Thermal Unit, and shall be the quantity of heat required to raise the temperature of one (1) pound of water from fifty-eight and five-tenths degrees (58.5 degrees) to fifty-nine and five-tenths degrees (59.5 degrees) Fahrenheit. The reporting basis for Btu is 14.73 dry psig and 60 degrees F (101.325 kPa and 15 degrees C, and dry).
- 6.1.4 "Business Day" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the United States, and similar holidays for transactions occurring in Canada and Mexico.
- 6.1.5 "Commission" shall mean the Federal Energy Regulatory Commission or any successor agency.
- 6.1.6 "Contract Year" shall mean the twelve (12) month period beginning on the date service under a Service Agreement commences and each subsequent twelve month period thereafter during the term of the Service Agreement.
- 6.1.7 "Critical Notices" shall mean information pertaining to Operator conditions that affect scheduling or adversely affect scheduled gas flow.
- 6.1.8 "CT" or "Central Clock Time" shall mean the time of day in the United States central time zone, as may be adjusted for daylight savings time.
- 6.1.9 "Cubic Foot" shall mean the volume of gas that occupies one cubic foot at a temperature of 60 degrees Fahrenheit, a pressure of 14.73 psig, and dry. Mcf means one thousand (1,000) cubic feet and MMcf means one million (1,000,000) cubic feet.
- 6.1.10 "Customer" shall mean any individual or entity executing a valid Service Agreement with the Operator for Service(s) hereunder.
- 6.1.11 "Day," or "Gas Day" shall mean a period of twenty-four (24) consecutive hours beginning and ending at 9:00 AM Central Clock Time (C.T.) including Saturdays, Sundays and Federal Banking Holidays, except that in the event that an obligation falls due on a Saturday, Sunday or Federal Banking Holiday the obligation shall be due on the next Business Day.

- 6.1.12 “Dekatherm” or “Dth” shall mean the quantity of heat energy which is equivalent to 1,000,000 Btu. One Dekatherm of gas means the quantity of gas which contains one Dekatherm of heat energy.
- 6.1.13 “EIM System” or “Electronic Information Management System” shall have the meaning assigned in Section 6.27 of these General Terms and Conditions.
- 6.1.14 “Elapsed Prorata Capacity” shall mean the prorata portion of the scheduled quantity that would have theoretically flowed up to the effective time of the intraday nomination being confirmed, based upon a cumulative uniform hourly quantity for each nomination period affected.
- 6.1.15 “Enhanced Interruptible” shall mean the storage, parking or loan services which are subject to interruption at any time by Operator and where a Customer may be required to withdraw gas held in storage or provide gas to Operator, pursuant to an Enhanced Hub Services Agreement or a Service Agreement applicable to Rate Schedule EPS or Rate Schedule ELS, should such capacity or quantities be required by a higher priority service.
- 6.1.16 “Facility” or “Facilities” shall mean the structure and facilities to be designed and constructed by Operator for purposes of providing the Service(s) contemplated by the Service Agreement.
- 6.1.17 “FERC” shall mean the Federal Energy Regulatory Commission or any successor agency.
- 6.1.18 “Firm” shall mean Service provided under Rate Schedule FSS .
- 6.1.19 “Force Majeure” shall mean an event of Force Majeure as specified in Section 6.15 of these General Terms and Conditions.
- 6.1.20 “Fuel Reimbursement” shall have the meaning specified in Section 6.14 of these General Terms and Conditions.
- 6.1.21 “GAAP” shall have the meaning assigned in Section 6.2.3(a)(1) of these General Terms and Conditions.
- 6.1.22 “Gas” shall mean natural gas in its natural state, produced from wells, including casinghead gas produced with crude oil, natural gas from wells and residue gas resulting from processing both casinghead gas and gas well gas.
- 6.1.23 “Interruptible” shall mean the storage, parking, wheeling, loaning, imbalance trading, or balancing services which are subject to interruption at any time by Operator and where a Customer may be required to withdraw gas held in storage or provide gas to Operator, pursuant to a Hub Services Agreement or a

Service Agreement applicable to Rate Schedule ISS, should such capacity or quantities be required by a higher priority service.

- 6.1.24 “Interruptible Storage Inventory” shall mean the quantity of gas in Customer’s account under Rate Schedule ISS.
- 6.1.25 “Intra-day Nominations” 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.
- 6.1.26 “Loan Balance” shall mean the quantity of gas, expressed in Dth, that Operator has loaned to Customer, provided that the Loan Balance shall never exceed Customer’s MLQ specified in Exhibit A of Customer’s Hub Services Agreement.
- 6.1.27 “Market Value of Loaned Gas” shall have the meaning assigned in Section 6.2.3(c)(6) of these General Terms and Conditions.
- 6.1.28 “Material Adverse Change” shall mean a material change to (i) the business, property, condition (financial or otherwise), results of operations, or prospects of Customer or any Customer guarantor, including bankruptcy or other insolvency proceeding; (ii) a downgrade in Customer’s or Customer’s guarantor’s credit rating, as established by Standard & Poor’s or Moody’s Investments Services, Inc.; or (iii) the validity or enforceability of the Service Agreement(s), any Customer guaranty, or the rights or remedies of Operator thereunder, which, in the sole discretion of Operator, adversely affects either (A) the ability of Customer or Customer’s guarantor to perform in a timely manner any of their respective obligations under the Service Agreement(s) or guaranty, as applicable, or (B) the rights of Operator under either the Service Agreement(s) and/or Customer’s guaranty.
- 6.1.29 “Maximum Daily Delivery Quantity” or “MDDQ” shall mean the maximum quantity of gas, expressed in Dths, specified in Customer’s Service Agreement or Exhibit A of the Hub Services Agreement, as applicable, that Customer may nominate and that Operator shall deliver at a Point of Delivery at constant hourly rates of flow over the course of such Day, excluding Fuel Reimbursement. As determined by Operator in its sole and reasonable judgment, the maximum quantity may be delivered at rates of flow which deviate from constant hourly rates over the course of such Day.
- 6.1.30 “Maximum Daily Injection Quantity” or “MDIQ” shall mean the maximum quantity of gas which Customer is entitled to inject into the Facility on any Day, excluding Fuel Reimbursement.
- 6.1.31 “Maximum Daily Receipt Quantity” or “MDRQ” shall mean the maximum quantity of gas, expressed in Dths, specified in Customer’s Service Agreement

or Exhibit A of the Hub Services Agreement, as applicable, that Customer may nominate and that Operator shall receive at each Point of Receipt at constant hourly rates of flow over the course of such Day, excluding Fuel Reimbursement. As determined by Operator in its sole and reasonable judgment, the maximum quantity may be received at rates of flow which deviated from the constant hourly rates over the course of such Day.

- 6.1.32 “Maximum Daily Wheeling Quantity” or “MDTQ” shall mean the maximum quantity of gas, expressed in Dths, specified in Exhibit A of Customer’s Hub Services Agreement that Customer may nominate and that Operator shall transport from a Point of Receipt to a Point of Delivery located on Operator’s Facility each Day at constant hourly rates of flow over the course of such Day, excluding Fuel Reimbursement. As determined by Operator in its sole and reasonable judgment, the maximum quantity may be wheeled at rates of flow which deviate from constant hourly rates over the course of such Day.
- 6.1.33 “Maximum Daily Withdrawal Quantity” or “MDWQ” shall mean the maximum quantity of gas which Customer is entitled to withdraw on any Day, excluding Fuel Reimbursement.
- 6.1.34 “Maximum Hourly Injection Quantity” or “MHIQ” shall mean the maximum quantity of gas which Customer is entitled to inject into the Facility during any hour, excluding Fuel Reimbursement. The MHIQ shall equal 1/24 of the MDIQ.
- 6.1.35 “Maximum Hourly Withdrawal Quantity” or “MHWQ” shall mean the maximum quantity of gas which Customer is entitled to withdraw from the Facility during any hour, excluding Fuel Reimbursement. The MHWQ shall equal 1/24 of the MDWQ.
- 6.1.36 “Maximum Loan Quantity” or “MLQ” shall mean the maximum quantity of gas, expressed in Dth, that Operator is obligated to loan to Customer at Operator’s facilities, as specified in Exhibit A of Customer’s Hub Services Agreement.
- 6.1.37 “Maximum Park Quantity” or “MPQ” shall mean the maximum quantity of gas, expressed in Dth, that Customer is permitted to have in storage in Operator’s facilities, at any given time as specified in Exhibit A of Customer’s Hub Services Agreement.
- 6.1.38 “Maximum Storage Quantity” or “MSQ” shall mean the maximum quantity of gas expressed in Dth, that Customer is permitted to have in storage in Operator’s facilities, at any given time as specified in the Customer’s Service Agreement.
- 6.1.39 “Minimum Acceptable Credit Rating” shall have the meaning assigned in Section 6.2.3(b)(1) of these General Terms and Conditions.

- 6.1.40 “Month” shall mean a period beginning at 9:00 AM C.T. on the first Day of the calendar month and ending at 9:00 AM C.T. on the first day of the following month.
- 6.1.41 “NAESB” shall mean the North American Energy Standards Board.
- 6.1.42 “Operational Flow Order” or “OFO” is an order issued to alleviate conditions, inter alia, which threaten or could threaten the safe operations or system integrity of Operator’s Facility or to maintain operations required to provide efficient and reliable firm service. Whenever Operator experiences these conditions, any pertinent order should be referred to as an Operational Flow Order.
- 6.1.43 “Operator” shall mean Monroe Gas Storage Company, LLC.
- 6.1.44 “Overrun” shall mean any quantity that is not within Customer’s entitlements as set forth in Customer’s Firm Service Agreement. Such quantities shall be deemed Interruptible service.
- 6.1.45 “Park Balance” shall mean the quantity of gas, expressed in Dth, that Customer has in Operator’s storage facilities for Customer’s account, provided that the Park Balance shall never exceed Customer’s MPQ specified in Exhibit A of Customer’s Hub Services Agreement.
- 6.1.46 “Party” shall mean Operator or Customer.
- 6.1.47 “Point(s) of Delivery” shall mean the point(s) located on Operator’s Facility where Operator shall tender gas to Customer.
- 6.1.48 “Point(s) of Receipt” shall mean the point(s) located on Operator’s Facility where Operator shall receive gas from Customer.
- 6.1.49 “Pooling” shall mean (i) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or (ii) the disaggregation of gas from a single physical or logical point to multiple physical and/or logical points.
- 6.1.50 “Potential Replacement Customer” shall mean any individual or entity that desires to assume any released rights to capacity of Releasing Customer.
- 6.1.51 “Potential Customer” shall mean any individual or entity that desires to execute a Service Agreement with Operator.
- 6.1.52 “Psig” shall mean pounds per square inch gauge.

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- 6.1.53 “Qualifying Customer” shall have the meaning ascribed in Section 6.28 of these General Terms and Conditions.
- 6.1.54 “Releasing Customer” shall mean a Customer that has agreed to release some or all of its rights under its Service Agreement applicable to Rate Schedule FSS.
- 6.1.55 “Replacement Customer” shall mean a Customer who has assumed any released rights to capacity of a Releasing Customer.
- 6.1.56 “Reservation Charge” shall have the meaning set forth in Customer’s executed Service Agreement.
- 6.1.57 “Service(s)” shall mean the injection, storage and withdrawal of gas, and any ancillary activities to be performed by Operator for Customer pursuant to a Service Agreement.
- 6.1.58 “Service Agreement” shall mean an agreement for Firm service under Rate Schedule FSS, or an agreement for Interruptible service under Rate Schedules ISS, or an agreement for Interruptible hub service under Rate Schedules IPS, ILS, IWS, IBTS or IBS, including all Exhibits, as such agreements are amended and supplemented from time to time.
- 6.1.59 “Storage Inventory” shall mean the quantity of gas in Dth that a Customer has in place at Operator’s storage facilities for Customer’s account, provided that the Storage Inventory shall never exceed Customer’s Maximum Storage Quantity.
- 6.1.60 “Subscriber” shall mean any entity, whether or not a Customer, which has agreed to comply with the procedure for access to the EIM System, as more fully set forth in Section 6.27 of these General Terms and Conditions.
- 6.1.61 “Title Transfer” shall mean the change of title to gas between parties at a stipulated location.
- 6.1.62 “Title Transfer Tracking” shall mean the process of accounting for the progression of title changes from party to party that does not affect a physical transfer of gas.
- 6.1.63 “Transporter” shall mean an interconnecting pipeline designated to transport Customer’s gas to the Point(s) of Receipt or receive gas from the Point(s) of Delivery.
- 6.1.64 “Web Site” shall mean Operator’s HTML site accessible by way of the Internet’s World Wide Web and located at, <http://www.monroegasstorage.com>.

Additional terms indicated by capitalization and utilized in this FERC Gas Tariff shall have the meaning ascribed to them where first utilized.

6.2 CONTRACTING FOR STORAGE SERVICE

6.2.1 Contact Information

- (a) Any person may request information on pricing, terms of storage, or capacity availability by contacting Operator at the following:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

- (b) Each Customer will be provided with a list of phone numbers for Operator's gas dispatch and control personnel, who are on call 24-hours a Day.

6.2.2 Information Requirements

- (a) Each request for service outside of an open season as set forth in Section 6.2.6 of these General Terms and Conditions shall contain the information identified on the Request for Service Information List posted on Operator's Web Site, as such list may be amended from time to time.
- (b) A Customer or Potential Customer requesting new service or an amendment to existing service shall also provide the following to Operator:
- (1) Either at the time of the request for new service or an amendment to existing service is submitted to Operator or at the time of execution of the Service Agreement, such other information (if any), in writing, as may be required to comply with regulatory reporting or filing requirements; and
 - (2) Within five (5) Business Days of the submittal of the request for new service, any credit information required to be provided pursuant to Section 6.2.3(a) of these General Terms and Conditions.
- (c) If Potential Customer/Customer does not submit the information required in this Section 6.2.2 within the required timeframes, the request for service shall be considered to be null and void. In addition, Operator shall reject

any request for service created in the EIM System by Customer but not submitted to Operator within ninety (90) Days of Customer's creation of such request.

6.2.3 Creditworthiness

(a) Credit Information

- (1) A Customer or Potential Customer shall provide as reasonably requested by Operator: (i) complete and current financial Schedules, including annual reports, 10K reports or other filings with regulatory agencies, prepared in accordance with generally accepted accounting principles ("GAAP"), or for non U.S.-based Customers, prepared in accordance with equivalent principles; (ii) a list of corporate affiliates, parent companies and subsidiaries; (iii) any credit reports from credit reporting agencies which are available; and (iv) such other information as may be mutually agreed to by the Parties.
- (2) For a Customer or Potential Customer that is not a public entity or whose ultimate parent company is not a public entity, Potential Customer shall provide initially, and Customer shall provide on a continuing basis: (i) the most recent available interim financial Schedules, with an attestation by its CFO that such Schedules constitute a true, correct and fair representation of financial condition prepared in accordance with GAAP or equivalent; or (ii) an existing sworn filing, including the most recent available interim financial Schedules and annual financial reports filed with the respective regulatory authority (if applicable), showing Customer's current financial condition.
- (3) Potential Customer shall confirm in writing initially and any Customer that fails to satisfy the minimum acceptable credit standard set forth in Section 6.2.3(b)(1) of these General Terms and Conditions shall confirm in writing within thirty (30) days of receipt of a written request from Operator, that: (i) Potential Customer/ Customer is not operating under any chapter of the bankruptcy laws; (ii) Potential Customer/Customer is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors or any informal creditors' committee agreement; (iii) no significant collection lawsuits or judgments are outstanding that would materially affect Potential Customer/Customer's ability to remain solvent as a business entity; and (iv) no receiver, custodian, trustee, or similar person has been appointed for a material portion of Customer's assets. If Potential Customer/Customer's status

changes so that Potential Customer/Customer's prior confirmation is no longer accurate, Potential Customer/Customer shall notify Operator in writing within five (5) Business Days of the change. Failure of Potential Customer/Customer to satisfy the condition set forth in clause (i) of this Section 6.2.3(a)(3) shall not result in Potential Customer/Customer being deemed non-creditworthy if Potential Customer/Customer is a debtor in possession operating under Chapter 11 of the Federal Bankruptcy Code and Operator receives adequate assurance that Potential Customer/Customer's liabilities to Operator will be paid promptly as a cost of administration under the Federal Bankruptcy Court's jurisdiction.

- (4) Operator shall inform Potential Customer/Customer in writing whether or not the Potential Customer/Customer has been determined creditworthy within thirty (30) days of receipt of all information required under this Section 6.2.3(a) for Operator to complete its credit appraisal. Upon determination by Operator that Potential Customer/Customer is not creditworthy, Operator shall provide Potential Customer/Customer notification and an opportunity to challenge such determination in accordance with Section 6.2.3(a)(5) of these General Terms and Conditions.
- (5) Notice of Non-creditworthiness
 - (A) Upon a determination by Operator that Potential Customer/Customer is non-creditworthy, Operator will provide a written explanation of the basis for its determination within five (5) Business Days of such determination, and will include in such explanation the reasons Potential Customer/Customer has been determined to be non-creditworthy. The Potential Customer/Customer may challenge Operator's determination in writing within five (5) Business Days of receipt of Operator's notice of non-creditworthiness.
 - (B) At any time after a Potential Customer/Customer is determined to be non-creditworthy by Operator, Potential Customer/Customer may initiate a creditworthiness re-evaluation by Operator. As part of such Potential Customer/Customer's re-evaluation request, Potential Customer/Customer shall either update or confirm in writing the prior information provided to Operator related to Potential Customer/Customer's creditworthiness. Such update shall include any event(s) that Potential Customer/Customer believes could lead to a material change in Potential Customer/Customer's creditworthiness.

- (C) Following Operator's receipt of a Potential Customer/Customer's request for re-evaluation, within thirty (30) days Operator shall provide a written response to Potential Customer/Customer's request for re-evaluation. Such written response shall include either a determination of creditworthiness status, clearly stating the reason(s) for Operator's decision, or an explanation supporting a future date by which a re-evaluation determination will be made. In no event shall such re-evaluation determination exceed sixty (60) days from the date of the receipt of Potential Customer/Customer's request, unless Potential Customer/Customer and Operator mutually agree to some later date.

(b) Definitions

- (1) "Acceptable Credit Rating" means a Credit Rating of investment grade, defined as a rating of at least "BBB-" by Standard & Poor's Corporation, or a rating of at least "Baa3" by Moody's Investors Service, Inc.
- (2) "Credit Rating" means the rating given to Customer's unsecured long term debt by Standard and Poor's Corporation ("S&P") or Moody's Investor's Services, Inc. ("Moody's").
- (3) "Credit Exposure" means an amount equal to: (a) in the case of Firm Storage Service to be provided by Operator using existing facilities, reservation charges payable at the rate specified in Customer's bid for service or Storage Service Agreement for a period of three (3) months or the duration of the Customer's bid or Storage Service Agreement, whichever is shorter; (b) in the case of Interruptible services to be provided by Operator using existing facilities, the Interruptible charge(s) calculated on a one hundred percent (100%) load factor basis payable for a period of three (3) months or the duration of the Customer's Storage Service Agreement, whichever is shorter; or (c) for service that requires Operator to construct new facilities, an amount determined by Operator prior to the start of construction that is reasonable in light of the risks of the construction project, not to exceed Customer's proportional share of the cost of the facilities to be constructed (which amount shall be reduced as Customer pays off the obligation for construction of new facilities); plus, for each of (a), (b), and (c), the Market Value of Loaned Gas.
- (4) "Market Value of Loaned Gas" means the Customer's Loan

Balance for service under Rate Schedules ELS and ILS, if any, multiplied by the greater of the “Gas Daily” “Texas Eastern, M-1” or the “Gas Daily” “Tennessee La, 500 Leg” index price, plus the maximum applicable transportation & fuel costs associated with delivery of loaned gas to the respective Operator interconnection point with the respective interstate pipeline for the period under which the loaned gas is scheduled to be returned pursuant to Potential Customer/Customer’s storage service agreement(s). Operator shall calculate Potential Customer/Customer’s market value of loaned gas on a daily basis. If the “Gas Daily” index for either “Texas Eastern, M-1” or “Tennessee La, 500 Leg” should no longer be published, Operator, in its sole discretion, will determine a suitable replacement index that will reflect the market price at the Operator’s interconnection point with the respective interstate pipeline.

- (5) “Unsecured Collateral Limit” means the maximum amount of credit Operator may extend to a Customer, without Customer providing Financial Assurances pursuant to this Section 6.32, based upon Customer’s Credit Rating, as provided in the table below:

S&P AAA	\$25,000,000.
Moody’s Aaa	
S&P AA+ to AA-	\$15,000,000.
Moody’s Aa1 to Aa3	
S&P A+ to A-	\$5,000,000.
Moody’s A1 to A3	
S&P BBB+ to BBB-	\$1,000,000.
Moody’s Baa1 to Baa3	
S&P BB+ and lower	\$50,000.*
Moody’s Ba1 and lower	

*Excludes Customers that are operating under any chapter of the bankruptcy laws; are subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors or any informal creditors’ committee agreement; have any significant collection lawsuits or judgments that are outstanding that would materially affect Customer’s ability to remain solvent as a business entity; and where any receiver, custodian, trustee, or similar person has been appointed for a material portion of Customer’s assets.

- (6) “Financial Assurances” means one or more of the forms of security set forth in Section 6.2.3(c).
- (c) A Customer that does not have, or at any time fails to maintain, an Acceptable Credit Rating shall provide to Operator, to secure its obligation to Operator pursuant to each of Customer’s Storage Services Agreements, one or more of the following forms of Financial Assurances:
- (1) An irrevocable Letter of Credit, subject to the following:
 - (A) each letter of Credit shall be in effect for the Term of the transaction plus 120 days.
 - (B) each Letter of Credit shall be in a form and substance satisfactory to Operator, and shall provide for partial drawdowns and, without limiting the generality of the foregoing, shall be issued by a financial institution acceptable to Operator that is rated at least A by S&P or A3 by Moody’s; and
 - (2) Customer shall provide to Operator, to secure its obligation to Operator pursuant to each of Customer’s Storage Service Agreements, a Guaranty granted to Operator by Customer’s direct or indirect parent (the “Guarantor”), provided that the amount of such Guaranty shall not exceed the Unsecured Collateral Limit for such parent determined using the above criteria and parent’s Credit Rating. The Guaranty shall be in a form acceptable to Operator and the provisions of this Section shall apply to the Guarantor as if the Guarantor were the Customer;
 - (3) Customer shall prepay for service in an amount as set forth immediately below, provided that such prepayments shall be considered collateral held for security and not advance payments for services and that Customer may deposit its prepayment funds into an interest-bearing escrow account established by Customer granting Operator access to the account for payment of services under Customer’s Storage Service Agreement(s).

The dollar value of the Financial Assurances set forth above in this Section 6.2.3(c) to be provided by Customer shall be in an amount equal to Customer’s Credit Exposure minus Customer’s Unsecured Collateral Limit. Operator shall re- compute the

dollar value of Financial Assurances Customer is required to provide on a monthly basis. Operator shall notify Customer when such re-computation indicates that additional credit support is required to comply with the requirements of this section based on a 10% increase in the monthly computation of the amount of Financial Assurances over the Financial Assurances previously provided by Customer. Customer shall have two (2) Business Days to comply with a notification by Operator of insufficient credit support.

- (4) Potential Customer/ Customer may provide such other form of security as mutually acceptable to potential Customer/ Customer and Operator.
- (5) If Potential Customer/ Customer's debt is not rated by S&P or Moody's, Potential Customer/ Customer may elect to obtain an equivalent credit rating to establish its credit worthiness. Such equivalent credit rating must meet the minimum rating requirement set forth in Section 6.2.3(b) (1) of these General Terms and Conditions and may be obtained in one of the following two ways:
 - (A) Potential Customer/ Customer may request an equivalent rating as determined by Operator, based on the financial rating methodology, criteria and ratios for the industry of Potential Customer/Customer as published by S&P and Moody's from time to time. In general, such equivalent rating will be based on the audited financial Schedules for Potential Customer/Customer's two most recent fiscal years, all interim reports and any other relevant information. Operator shall apply financial evaluation standards consistently and on a non-discriminatory basis. If potential Customer/Customer requests an equivalent rating determination by Operator and Potential Customer/Customer is found not to meet the minimum requirements set forth in Section 6.2.3(b)(1) above, Operator shall inform Potential Customer/Customer of the basis of such finding.
 - (B) Potential Customer/Customer may, at its own expense, obtain an equivalent rating from a credit rating agency acceptable to Operator, or request that an independent accountant or financial advisor mutually acceptable to Operator and Potential Customer/Customer prepare an equivalent rating based on the financial rating methodology, criteria and ratios for the industry of

Potential Customer/Customer as published S&P and
Moody's.

- (6) All of Operator's creditworthiness review standards and requirements shall be imposed on a non-discriminatory basis. Security shall no longer be required pursuant to this Section 6.2.3(c) when Potential Customer/Customer achieves the minimum acceptable credit standard set forth in Section 6.2.3(b)(1) of these General Terms and Conditions or when the Potential Customer/Customer is no longer receiving Services from the Operator, and has not guaranteed and is not otherwise liable for the performance of any assignee of Customer, and has paid in full for all Services received from Operator in the past. Upon Potential Customer/Customer's request, which may be made at any time, Operator shall determine whether Potential Customer/Customer has achieved the minimum acceptable credit standard as described in Section 6.2.3(b)(1). In the event Operator determines that Potential Customer/Customer achieves the minimum acceptable credit standard, Operator shall terminate any alternative forms of security under Section 6.2.3(c)(1), Section 6.2.3(c)(2), Section 6.2.3(c)(3) and Section 6.2.3(c)(4) of these General Terms and Conditions that Potential Customer/Customer may have been required to provide to Operator.

(d) Termination Based on Non-Creditworthiness

- (1) If at any time Operator reasonably determines that Customer does not meet the minimum acceptable credit standard set forth in Section 6.2.3(b)(1) of these General Terms and Conditions and Customer has not already provided an alternative form of security as provided for in Section 6.2.3(c) of these General Terms and Conditions, Operator may notify Customer in writing that Customer must provide one or more of the alternative forms of security specified in Section 6.2.3(c) of these General Terms and Conditions. If within five (5) Business Days of such notice Customer has not provided an alternative form of security as specified in Section 6.2.3(c), Operator may, upon notice to Customer, suspend service immediately. Operator may, upon notice to the Commission, simultaneously serve Customer a notice of termination of the Service Agreement, such termination to be effective thirty (30) days from the date of such notice unless prior to the termination date Operator has received the necessary assurance or alternative form of security as required hereunder. Operator may also exercise any other remedy available to Operator hereunder, at law or in equity.

- (2) Any suspension of service pursuant to this Section 6.2.3(d) shall continue until Operator terminates the Service Agreement or until Customer achieves the minimum acceptable credit standard or has provided an alternative form of security as required pursuant to Section 6.2.3(c) of these General Terms and Conditions. Customer shall not be required to pay reservation charges during such suspension. At any time during such suspension, Customer may request Operator determine that Customer has achieved the minimum acceptable credit standard as specified in Section 6.2.3(b)(1) of these General Terms and Conditions.
- (3) Upon issuing any notice to Customer of suspension of service or termination of a Service Agreement pursuant to Section 6.2.3(d)(1) of these General Terms and Conditions, Operator shall simultaneously notify the Commission of such suspension or termination.
- (4) Customer may not recall any capacity if Operator has given notice of suspension or termination as provided for in Section 6.2.3(d)(1) of these General Terms and Conditions unless and until Operator determines that Customer satisfies the creditworthiness criteria set forth in these General Terms and Conditions.
- (5) Operator may terminate a release of capacity to a Replacement Customer if the Releasing Customer's Service Agreement is terminated, provided that the Replacement Customer may continue receiving such service if it agrees to pay, for the remaining term of the Replacement Customer's contract, the lesser of (i) the Releasing Customer's contract rate; (ii) the maximum tariff rate applicable to Customer's capacity; or (iii) some other rate acceptable to Operator.

6.2.4 Additional Information

- (a) Customer shall also promptly provide such additional Customer credit information as may be reasonably required by Operator, at any time during the term of service under a Service Agreement, to determine Customer's creditworthiness.
- (b) After receipt of a request for service, Operator may require that Customer furnish additional information as a prerequisite to Operator offering to execute a Service Agreement with Customer. Such information may include proof of Customer's lawful right and/or title to cause the gas to be delivered to Operator for service under this FERC Gas Tariff and of Customer's contractual or physical ability to cause such gas to be delivered to and received from Operator.

- (c) Should Customer desire Operator to provide service pursuant to Section 311 of the Natural Gas Policy Act, Customer shall provide to Operator a Schedule warranting that Customer complies with all requirements for receiving service pursuant to Section 311 and FERC's regulations thereunder, including, but not limited to, compliance with the "on-behalf-of" requirement then in effect.
- (d) Customer is required to provide to Operator (i) the State of the source of gas that is to be stored and/or transported and (ii) such other information if required in order for Operator to comply with any FERC reporting or other requirements.

6.2.5 Execution of Service Agreements and Amendments

- (a) A Service Agreement and/or amendment to an existing Service Agreement shall be executed, as specified in this Section 6.2.5 by Potential Customer/Customer and Operator following the completion of the open season process pursuant to Section 6.2.6 of these General Terms and Conditions and/or the completion of the approval process.
- (b) All Service Agreements and all Service Agreement amendments shall be executed electronically by Customer and Operator by way of the EIM System. Each Potential Customer/Customer shall execute a Service Agreement within sixty (60) consecutive Days of the tender of said Service Agreement. In addition, Operator may require a Potential Customer to execute a precedent agreement prior to execution of a Service Agreement, all of which may be more fully set forth in the open season documentation, if applicable.
- (c) The applicable Form of Service Agreement, the Exhibit(s) executed by Customer and Operator, the applicable Rate Schedule, and the General Terms and Conditions of this FERC Gas Tariff will comprise the entire Service Agreement between Potential Customer/Customer and Operator.
- (d) If Operator has tendered a Service Agreement for execution and Potential Customer/Customer fails to execute the Service Agreement as tendered within sixty (60) consecutive Days of the date Customer receives the Service Agreement, the Service Agreement and the corresponding request for service shall be considered null and void. For Firm storage service, Operator will not be required to tender a Service Agreement to a Potential Customer for execution that relates to requests for Service for which Operator does not have sufficient available firm storage capacity, injection, and/or withdrawal capacity.

6.2.6 Open Season

Monroe Gas Storage Company, LLC
FERC Gas Tariff

- (a) **Sale of Capacity.** Upon the availability of new firm storage capacity in Operator's facilities, Operator may, at its sole discretion, post notice of an open season for such available firm storage capacity pursuant to the open season procedures described in Sections 6.2.6(b) through 6.2.6(g) below or offer such available firm storage capacity pursuant to the first-come first-served procedures described in Section 6.2.6(h) below to qualified Potential Customers.
- (b) **Notice of open season.** Notice of the availability of new firm storage capacity for which Operator has elected to hold an open season pursuant to Section 6.2.6(a) above shall be posted on Operator's Internet Web Site and shall set forth when the open season begins and ends, where interested parties may submit requests for Firm services, the minimum rates, if any, Operator will accept for the available capacity, and how interested parties may submit requests for service and additional details about the open season.
- (c) **Duration.** The open season shall commence at the time and date specified and for the term indicated in the notice of open season. During this time, Operator will accept requests for the Firm service to be available in its facilities.
- (d) **Bid Evaluation.** During an open season, Operator will accept bids for firm storage from Potential Customers. Specifically, Operator shall evaluate bids and award capacity, based on one of the following methods, as identified in the notice of the open season: (i) the highest present value of the reservation charges or other source of guaranteed revenue to be received by Operator over the term of each Service Agreement; (ii) the highest reservation charge, or other source of guaranteed revenue, bid; or (iii) an alternative objective and not unduly discriminatory method chosen by Operator and posted at least three (3) Days prior to when the capacity is posted for bidding. In the notice of the open season, Operator shall specify an objective, not unduly discriminatory method for allocating capacity in the event of equivalent bids from more than one Potential Customer.
- (e) **Requests Exceeding Available Capacity.** Should requests for firm storage exceed available capacity during the allocation process of an open season, capacity will first be allocated to the highest present value bids received for Firm service. When remaining unallocated capacity is not sufficient to meet the next highest present value bidder's capacity requirements for Firm service, that next highest bidder has the option of declining the remaining capacity. Operator will then offer the remaining capacity to the next highest bidder, until all the remaining capacity is allocated.
- (f) **Tied Bids.** Should the next highest present value bid in Section 6.2.6(d)

above be submitted by two or more Customers (e.g., tied bids) and there is insufficient remaining capacity available to serve such Customers, then capacity will be allocated to Customers on a pro rata basis.

- (g) Execution of agreements. A Customer allocated service in an open season shall be required to execute a Service Agreement for Firm service pursuant to the requirements of Section 6.2 herein, including the creditworthiness requirements.
- (h) First-Come, First-Served Allocation. Firm storage capacity that is available or becomes available in Operator's facilities, and for which Operator determines pursuant to Section 6.2.6(a) that an open season will not be held, shall be posted on Operator's website and shall be offered and allocated on a first-come, first-served basis to Customers offering to pay a rate for service that Operator finds acceptable.

6.2.7 Allocation of Available Capacity. Capacity will be allocated, pursuant to Sections 6.2.6(d), (e) and (f) of these General Terms and Conditions, to the bid producing the highest Net Present Value ("NPV"), using the methodology set forth by Operator at the time capacity is made available, and which also meets all terms and conditions specified by Operator as set forth in any open season documents provided to Potential Customer by Operator, if applicable.

6.2.8 Priority of Service. In all instances, Firm service will have a superior priority to Interruptible service.

- (a) In the event that Operator must restrict Firm service, such service will be restricted on a pro rata basis based on each Customer's applicable Maximum Storage Quantity. In the event that such action must be taken, Operator will notify Customer by way of email or facsimile at Operator's option.
- (b) Interruptible storage service will be restricted based on price, where Customers paying the highest price receive the highest priority.
- (c) Should two or more Interruptible Customers have the same priority, capacity will be allocated to each Customer on a pro rata basis.

6.2.9 As part of the original Service Agreement or thereafter at any time prior to the expiration of the term of a Service Agreement and prior to Operator's posting the availability of capacity under Operator's right of first refusal provisions, if applicable, Operator and Customer may mutually agree to an option to extend or an extension of the term of the Service Agreement. The length of time of any such extension will be negotiated on a case-by-case basis, in a not unduly discriminatory manner.

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FERC Gas Tariff

- 6.2.10 Operator shall not be required to perform the requested service in the event all facilities necessary to render the requested service do not exist at the time the request for service is submitted to Operator.
- 6.2.11 No request for Service from a Point of Receipt or to a Point of Delivery shall be granted if to do so would impair Operator's ability to render Services pursuant to Operator's Rate Schedule FSS of this FERC Gas Tariff.
- 6.2.12 Operator shall not be required to provide any requested Service under any Rate Schedule which would require construction or acquisition by Operator of new facilities or expansion of existing facilities.
- 6.2.13 Complaints. In the event that a Customer or Potential Customer has a complaint relative to a particular Service, Customer or Potential Customer shall provide a verbal description of the complaint, to be followed in writing, including the identification of the service request (if applicable), and communicate it to:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Operator shall respond orally within forty-eight (48) hours and in writing within thirty (30) Days of receipt of the complaint advising Customer or Potential Customer of the disposition of the complaint. In the event the required date of Operator's response falls on a Saturday, Sunday or a holiday that affects Operator, Operator shall respond by the next Business Day.

6.3 POINT(S) OF RECEIPT AND POINT(S) OF DELIVERY

- 6.3.1 Point(s) of Receipt. Customer shall tender all gas for wheeling or injection into storage to Operator at the Point(s) of Receipt located on Operator's Facility as specified in Customer's Service Agreement. The quantity of gas tendered by Customer to Operator for wheeling or injection into storage shall (i) not exceed at each Point of Receipt the MDTQ or MDRQ as applicable, for such Point of Receipt in effect from time to time, or (ii) not to exceed the MDIQ plus the applicable Fuel Reimbursement at all Point(s) of Receipt in effect from time to time, without the written consent of Operator.
- 6.3.2 Point(s) of Delivery. Operator shall tender all gas to be wheeled or withdrawn from storage to Customer at the Point(s) of Delivery located on Operator's Facility as specified in Customer's Service Agreement. The quantity of gas delivered to Customer shall (i) not exceed at each Point of Delivery the MDTQ, or MDDQ, as applicable, for such Point in effect from time to time, or (ii) not exceed the MDWQ at all Point(s) of Delivery in effect from time to time, without the written consent of Operator.
- 6.3.3 Transportation Guidelines. The Transporter(s)' rules, guidelines, operational procedures and policies, as they may be changed from time to time, shall define and control the manner in which gas is delivered and received at the Point(s) of Delivery and Point(s) of Receipt. Operator and Customer each agree to provide to the other, in as prompt a manner as reasonable, all information necessary to permit scheduling pursuant to such requirements. In addition, Operator will not be required to begin wheeling, injections or withdrawals for a Customer's account unless and until the data required for nominations, provided for in Section 6.6 (Nominations and Scheduling) of these General Terms and Conditions, have been confirmed by the applicable Transporter to Operator's gas dispatcher.
- 6.3.4 Transportation Imbalances. In the event that Operator or Customer delivers or causes to be delivered to Transporter at the Point(s) of Receipt or Point(s) of Delivery a quantity of gas not equal to the quantity of gas received or taken by Customer or Operator, a "Transportation Imbalance" may occur. Provided that Operator has taken or delivered the quantity of gas nominated by Customer and scheduled by Transporter, Customer shall be liable for all imbalances under its transportation agreement with Transporter. Upon notification by Customer or Transporter that a Transportation Imbalance exists because Operator failed to deliver or receive the quantity of gas nominated by Customer and scheduled by Transporter, Operator will endeavor to correct the Transportation Imbalance subject to any restrictions imposed by Transporter, but Operator shall be solely responsible and liable for any charges, penalties, costs and expenses incurred or payable by either Party as a result of the Transportation Imbalance except to the extent that the Transportation Imbalance was caused by an event of Force Majeure. Customer agrees to use its best efforts to prevent or diminish any occurrences of imbalances.

- 6.3.5 Measurement. Customer and Operator agree that the quantity of gas delivered hereunder shall be measured by Operator in accordance with Transporter's pipeline tariff, and, as such, may be allowed to fluctuate within the applicable measurement or flow tolerances on a daily and monthly basis.
- 6.3.6 Costs and Penalties. Customer shall hold Operator harmless for all costs and penalties which may be assessed by Transporter under Customer's transportation agreement with Transporter, unless the costs and penalties are due to the negligence of Operator. Customer and Operator shall cooperate with each other and with Transporter to verify delivery and receipt of the volumes of gas delivered hereunder on a timely basis.
- 6.3.7 Downstream and Upstream Transportation. Customer shall be responsible for transportation from the Point(s) of Delivery located on Operator's Facility and payment of all transportation charges relating thereto. Customer shall be responsible for transportation to the Point(s) of Receipt located on Operator's Facility and payment of all transportation charges relating thereto.

6.4 STORAGE OPERATIONS

- 6.4.1 Customer shall tender or cause to be tendered to Operator at the Point(s) of Receipt located on Operator's Facility any gas which Customer desires to have injected into storage plus applicable Fuel Reimbursement volumes. Customer shall also receive or cause to be received gas requested to be withdrawn from storage at the Point(s) of Delivery located on Operator's Facility.
- 6.4.2 Subject to the operating conditions of the delivering or receiving pipelines, Operator shall receive gas for injection from Customer at the Point(s) of Receipt located on its system and deliver gas to Customer at the Point(s) of Delivery located on its system as scheduled by Customer from time to time; provided that Operator shall not be obligated to receive for injection any quantity of gas if the injection of the same would cause the quantity of gas stored for Customer's account to exceed Customer's MSQ; nor shall Operator be obligated at any time to deliver more gas to Customer than Customer has stored in its Storage Inventory, Park Balance and/or Loan Balance, as applicable.
- 6.4.3 Due to certain limitations of Operator's Facilities, Operator shall not be obligated to receive, at any Point of Receipt for injection, or deliver, at any Point of Delivery, any quantity of gas when the quantity of gas tendered for delivery to Operator or requested by Customer to be delivered, together with all other quantities of gas tendered for delivery to Operator at any such Point of Receipt or requested for delivery at such Point of Delivery, results in a net metered flow which is less than or equal to what is deemed operationally practical by Operator.
- 6.4.4 In the event that batch flowing nominated volumes is deemed operationally impractical by Transporter or Operator, and should Operator receive nominations for the injection or withdrawal of gas, which after aggregation with other nominations commencing at the same time and same meter, results in a net metered volume deemed operationally impractical, Operator shall not be required to schedule such nominations and such nominated volumes may be curtailed on a pro rata basis such that the net metered volume will be zero. Operator will verbally notify the affected Customer(s) within four (4) hours of being notified of changes to nominations which would result in curtailment as provided herein.

6.5 WHEELING OPERATIONS

- 6.5.1 Customer shall tender or cause to be tendered to Operator at the Point(s) of Receipt located on Operator's Facility any gas which Customer desires to have wheeled, plus applicable Fuel Reimbursement volumes. Customer shall also receive or cause to be received gas requested to be wheeled at the Point(s) of Delivery located on Operator's Facility.
- 6.5.2 Due to certain limitations of Operator's facilities, Operator shall not be obligated to receive, at any Point of Receipt located on its system for wheeling, or deliver, at any Point of Delivery located on its system, any quantity of gas when the quantity of gas tendered for delivery to Operator or requested by Customer to be delivered, together with all other volumes of gas tendered for delivery to Operator at any such Point of Receipt or requested for delivery at such Point of Delivery, results in a net metered flow which is deemed operationally impractical by Operator.
- 6.5.3 In the event that batch flowing nominated volumes is deemed operationally impractical by Transporter or Operator, and should Operator receive nominations for the injection or withdrawal of gas, which after aggregation with other nominations commencing at the same time and same meter, results in a net metered volume deemed operationally impractical, Operator shall not be required to schedule such nominations and such nominated volumes may be curtailed on a pro rata basis such that the net metered volume will be zero. Operator will verbally notify the affected Customer(s) within four (4) hours of being notified of changes to nominations which would result in curtailment as provided herein.

6.6 NOMINATIONS AND SCHEDULING

6.6.1 During any Day when Customer desires Operator to inject, withdraw, or wheel gas, Customer shall submit a nomination to Operator by way of email or facsimile or by way of the EIM System that includes, but is not limited to, the following information: quantity, flow period, upstream transportation contract number(s), downstream transportation contract number(s), Customer name and Service Agreement number, and Customer's authorized employee name and telephone number. All nominations shall be based on a daily quantity, stated in Dth/day, and shall include Customer defined begin dates and end dates.

All nominations, excluding intra-day nominations, have rollover options. Specifically, Customers have the ability to nominate for several days, months, or years, provided the nomination begin and end dates are within the term of Customer's contract. Overrun quantities shall be requested as separate transactions.

6.6.2 Customer Scheduling of Upstream and Downstream Transportation. Customer shall be solely responsible for making all arrangements and paying for the transportation of the gas to the Point of Delivery for injection into the Facility and for making all arrangements and paying for the transportation of gas from the Point(s) of Delivery for gas withdrawn from the Facility. Operator shall have an obligation to inject gas for Customer, or to withdraw gas for Customer, only to the extent that the upstream or downstream Transporter confirms the transport of equivalent quantities, as the case may be.

6.6.3 Operator will accept nominations for service as follows:

(a) Next Day Service. The nomination timeline on the day prior to gas flow shall be the following (Central Clock Time):

1:00 p.m. Nominations leave control of Customer party

1:15 p.m. Receipt of nominations by Operator (including from Title Transfer Tracking Service Providers ("TTTSP"))

1:30 p.m. Operator sends quick response for validity of data elements

4:30 p.m. Completed confirmations from upstream and downstream connected parties provided to Operator

5:00 p.m. Receipt of scheduled quantities by Customer and point operator (Central Clock Time on the day prior to flow).

The sending party shall adhere to nomination, confirmation, and scheduling deadlines. It is the party receiving the request who has the right to waive the deadline.

- (b) Elapsed Prorata Quantity Scheduled. With respect to intra-day nominations for reductions in previously scheduled quantities, Operator may accept any explicitly confirmed quantity, down to and including zero, for such intra-day nomination; provided, however, if such intra-day nomination requires confirmation from an upstream and/or downstream interconnected pipeline, then any intra-day nomination to reduce previously scheduled quantities will be subject to, and limited to, the reduced quantity confirmed by such upstream and/or downstream interconnected pipeline.
- (c) Nominations will be processed for scheduling in the order in which they were received, by priority level as described in Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of these General Terms and Conditions. Nominations received after the nomination deadline should be scheduled after the nominations received before the nomination deadline.
- (d) Notices provided under this Section 6.6.3 must be submitted in writing by way of email or facsimile or the EIM System. Customer shall provide notice of any changes in deliveries to or receipt from Operator to all Transporters and shall be responsible for, and shall hold Operator harmless from, any and all liabilities and expense resulting from any such changes.
- (e) Minimum NAESB Nomination Standards. Nominations shall be submitted and processed in accordance with the minimum standards set forth in this Section 6.6.3(e). Operator shall support the following standard nomination cycles:
 - (1) Timely Nomination Cycle (Central Clock Time):
 - 1:00 p.m. for nominations leaving control of the nominating party;
 - 1:15 p.m. for receipt of nominations by Operator (including from TTTSP);
 - 1:30 p.m. to send Quick Response;
 - 4:30 p.m. for receipt of completed confirmations by transporter from upstream and downstream connected parties;
 - 5:00 p.m. for receipt of scheduled quantities by Customer and point operator (Central Clock Time on the day prior

to flow).

Scheduled quantities resulting from a Timely Nomination should be effective at 9:00 a.m. on Gas day.

(2) Evening Nomination Cycle (Central Clock Time):

- 6:00 p.m. for nominations leaving control of the nominating party;
- 6:15 p.m. for receipt of nominations by Operator (including from TTTSPs);
- 6:30 p.m. to send Quick Response;
- 8:30 p.m. for receipt of completed confirmations by Operator from upstream and downstream connected parties;
- 9:00 p.m. for Operator to provide scheduled quantities to affected Customers and point operators, and to provide scheduled quantities to bumped Parties (notice to bumped Parties), (Central Clock Time on the day prior to flow).

Scheduled quantities resulting from an Evening should be effective at 9:00 a.m. on gas Day.

(3) Intraday 1 Nomination Cycle (Central Clock Time):

- 10:00 a.m. for nominations leaving control of the nominating party;
- 10:15 a.m. for receipt of nominations by Operator (including from TTTSPs);
- 10:30 a.m. to send Quick Response;
- 12:30 p.m. for receipt of completed confirmations by Operator from upstream and downstream connected parties;
- 1:00 p.m. for Operator to provide scheduled quantities to

affected Customers and point operators, and to provide scheduled quantities to bumped Parties (notice to bumped parties), (Central Clock Time on the day prior to flow).

Scheduled quantities resulting from Intraday 1 Nominations should be effective at 2:00 p.m. on gas Day.

(4) Intraday 2 Nomination Cycle (Central Clock Time):

2:30 p.m. for nominations leaving control of the nominating party;

2:45 p.m. for receipt of nominations by Operator (including from TTTSPs);

3:00 p.m. to send Quick Response;

5:00 p.m. for receipt of completed confirmations by transporter from upstream and downstream connected parties;

5:30 p.m. for Operator to provide scheduled quantities to affected Customers and point operators, and to provide scheduled quantities to bumped parties (notice to bumped parties) (Central Clock Time on the day prior to flow).

Scheduled quantities resulting from Intraday 2 Nominations should be effective at 6:00 p.m. on gas Day.

(5) Intraday 3 Nomination Cycle (Central Clock Time):

7:00 p.m. for nominations leaving control of the nominating party;

7:15 p.m. for receipt of nominations by Operator (including from TTTSPs);

7:30 p.m. to send Quick Response;

9:30 p.m. for receipt of completed confirmations by transporter from upstream and downstream connected parties;

10:00 p.m. for Operator to provide scheduled quantities to

affected Customers and point operators
(Central Clock Time on the day prior to flow).

Scheduled quantities resulting from Intraday 3 Nominations should be effective at 10:00 p.m. on gas Day. Bumping is not allowed during Intraday 3 Nomination Cycle.

- (6) For purposes of NAESB WGQ Standard No. 1.3.2 (2), (3), (4), and (5), the word “provide” shall mean, for transmittals pursuant to NAESB WGQ Standards 1.4x, receipt at the designated site, and for purposes of other forms of transmittal, it shall mean send or post.
- (f) For intra-day nominations, Operator will conform to the provisions established by Customer’s Transporter, including hourly nomination deadlines.
- (1) All nominations should include Customer-defined begin dates and end dates. Customers may nominate for any period of time so long as the nomination begin and end dates are within the term of Customer’s contract, except for intra-day nominations, which shall span one day only.
 - (2) Upon confirmation from Customer’s Transporter, Operator will commence injection or withdrawal for Customer’s account.
 - (3) Nominations received after the nomination deadline will be scheduled after the nominations received before the nomination deadline.
 - (4) Customer shall be responsible for all penalties and charges assessed by an upstream or downstream Transporter which arise from Customer’s failure to provide delivery of the gas quantities provided.
 - (5) A Replacement Customer may submit a nomination at the earliest nomination opportunity after Operator has been notified of the capacity release.
- (g) Routine Maintenance. Operator shall have the right to interrupt or discontinue service in whole, or in part, from time to time to perform routine repair and maintenance on Operator’s Facility as necessary to maintain the operational capability of Operator’s Facility or to comply with applicable regulatory requirements. Operator shall exercise due diligence to schedule routine repair and maintenance so as to minimize disruptions of service to Customers and shall provide reasonable notice of the same to Customers.

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- 6.6.4 Customer shall make available and tender any gas to be injected or wheeled hereunder and receive and accept delivery, upon tender by Operator, any gas requested to be withdrawn from storage or wheeled. The quantity of gas stored for the account of Customer shall be increased or decreased upon injection or withdrawal, respectively, of gas from storage, as applicable. Customer shall not (unless otherwise agreed by Operator) receive or deliver gas, nor shall Operator be obligated to receive gas or deliver gas on an hourly basis at rates of flow in excess of 1/24 of Customer's MDRQ or MDDQ, respectively, unless provided for in Customer's Service Agreement. Otherwise, as determined by Operator in its sole and reasonable judgment, flow rates above 1/24 of Customer's MDRQ or MDDQ may be permitted.

6.7 PRIORITY, INTERRUPTION OF SERVICE AND OPERATIONAL FLOW ORDERS

6.7.1 Priority of Service. Any Customer executing a Service Agreement with Operator shall be entitled to the storage, parking, loaning, wheeling, imbalance trading or balancing of gas in the following order of declining priority:

- (a) Firm storage service under Rate Schedule FSS at primary Point(s) of Receipt, not in excess of MDRQ, or at primary Point(s) of Delivery, not in excess of MDDQ, located on Operator's Facility.
- (b) Firm storage service under Rate Schedule FSS at secondary Point(s) of Receipt or Delivery located on Operator's Facility, not to exceed Customer's MDIQ/MHIQ or MDWQ/MHWQ; Firm storage service under Rate Schedule FSS at primary Point(s) of Receipt located in Operator's Facility in excess of MDRQ but less than or equal to MDIQ, and Firm storage service under Rate Schedule FSS at primary Point(s) of Delivery located on Operator's Facility, in excess of MDDQ but less than or equal to MDWQ.
- (c) Make-up volumes to correct prior variances between (i) Transporter and Operator under a balancing agreement, (ii) Customer and Operator, and (iii) Customer and Transporter if the variance was due to Operator's failure to receive or deliver Customer's scheduled volumes.
- (d) Enhanced hub storage service under Rate Schedules EPS and ELS pursuant to Section 6.7.2(a) below.
- (e) Interruptible storage service for Authorized Overrun Service for excess storage gas, excess injection gas or excess withdrawal gas under Rate Schedule FSS, for interruptible storage service under Rate Schedule ISS and for interruptible hub service under Rate Schedules IPS, ILS, IWS, IBTS, and IBS pursuant to Section 6.7.2(b) below.
- (f) Extended injections in excess of MDRQ/24 or extended withdrawals in excess of MDDQ/24 for firm service under Rate Schedule FSS .

If a capacity constraint is anticipated or planned (e.g. for system maintenance), Operator shall post notice of the anticipated constraint on its Web Site in advance of the start of the constraint period.

6.7.2 Enhanced and Interruptible Services.

- (a) Enhanced Parking and Loan Services. Enhanced Parking Service and Enhanced Loan Service obligations and extensions of service shall have priority as follows:

- (1) The order of priority relating to service requests for service under Rate Schedules EPS and ELS shall be based on the highest net revenue to Operator over the term of the Service Agreement given highest priority.
 - (2) Should two or more Customers under Rate Schedules EPS and ELS have the same priority, capacity will be allocated to each Customer on a pro rata basis.
- (b) Interruptible Service and Authorized Overruns. Interruptible and Authorized Overrun service obligations and extensions of the service shall have priority as follows:
- (1) The order of priority relating to interruptible Authorized Overrun Service requests for Excess Capacity Gas, Excess Injection Gas and Excess Withdrawal Gas under Rate Schedule FSS, for interruptible storage service requests under Rate Schedule ISS and for interruptible hub service under Rate Schedules IPS, ILS, IWS, IBTS, and IBS shall be based on the highest net revenue to Operator given highest priority.
 - (2) Should two or more interruptible Customers have the same priority, capacity will be allocated to each Customer on a pro rata basis.

6.7.3 Interruptions.

- (a) If, on any Day, Operator's capability to receive or deliver quantities of gas is impaired so that Operator is unable to receive or deliver all scheduled quantities, then interruption of service shall be made in the reverse order of priority set forth in Section 6.7.1 above. Volumes in each category will be interrupted on a pro rata basis, except that Interruptible service will be interrupted based on the charges paid by Customer, with the transaction with the lowest net revenue to Operator being interrupted first. Any ties shall be interrupted on a pro rata basis.
- (b) Operator shall provide Customer as much advance notice of interruption as is practicable under the circumstances. Such notice shall be made by telephone, facsimile, e-mail or by way of Operator's Internet Web Site, as appropriate, and shall state the reduced quantities of gas that Operator estimates it will be able to park, loan, wheel, store, inject, withdraw, receive or deliver, as applicable, and the estimated duration of the interruption.
- (c) If the interruption is required, Operator and Customer shall cooperate to the extent possible in making adjustments to receipt, deliveries, injections

or withdrawals to minimize injury to any property or facilities.

- (d) Operator shall not be liable for any loss or damage to any person or property caused, in whole or in part, by any interruption of service.

6.7.4 Operational Flow Orders

- (a) Operator shall have the right to issue Operational Flow Orders (“OFO”) that require actions by Customers in order to (i) alleviate conditions that threaten to impair reliable service; (ii) maintain operations at the pressure required to provide efficient and reliable services; (iii) have adequate gas supplies in the system to deliver on demand; (iv) maintain service to all firm Customers and for all firm services; and (v) maintain the system in balance for the foregoing purposes. Operator shall lift any effective OFO promptly upon the cessation of operating conditions that caused the relevant system problem.
- (b) To the extent practical, Operator shall take all reasonable actions necessary to avoid issuing an OFO. Such actions shall include, in order of priority, (i) working with point operators to temporarily adjust receipts and/or deliveries at relevant Point(s) of Receipt or Delivery, (ii) working with Customers and point operators to adjust scheduled flows on the system, or (iii) taking any other reasonable action designed to mitigate the system problem. After taking all reasonable actions to avoid issuing an OFO, Operator shall have the right to issue an OFO, if necessary, in the circumstances described in Section 6.7.4(a) above.
- (c) Preliminary Notice. Operator shall provide, by way of posting on its Web Site and directly to affected parties, prior notice to all Customers and point operators of upcoming system events, such as anticipated weather patterns and operational problems that may necessitate the issuance of an OFO and provide actions that Customers may take to avoid issuance of an OFO.
- (d) Applicability of OFO. Operator shall make an OFO as localized as is reasonably practicable based on Operator’s good faith and reasonable judgment concerning the situations requiring remediation, such that an OFO will be directed first to Customers and point operators causing the problem requiring an OFO and second, if necessary, to all other Customers and point operators. Operator will tailor the OFO to match the severity of the known or anticipated operation problem requiring remediation as more fully set forth in Section 6.7.4(f) below. The declaration to the affected parties of OFO shall describe the conditions and the specific responses required from the affected parties.
- (e) Notice. OFOs will be issued by telephone to be followed by facsimile to the affected Customer(s) or point operator(s), with subsequent posting on

the Web Site, and notice to affected parties, as established in their Service Agreements. Operator shall also provide such notification by way of e-mail communication to those Customers and point operators that have provided e-mail address information for at least one contact person and have requested, by way of Operator's Web Site, e-mail notification of critical notices issued by Operator. The OFO will set forth:

- (1) the time and date of issuance;
- (2) the actions Customer or point operator is required to take;
- (3) the time by which Customer or point operator must be in compliance with the OFO;
- (4) the anticipated duration of the OFO;
- (5) the status of operational variables that determine when an OFO will begin and end; and
- (6) any other terms that Operator may reasonably require to ensure the effectiveness of the OFO.

Operator shall promptly post periodic updates of such information upon occurrence of any material change in information, including when an OFO will be lifted. Operator will also post the factors that caused the OFO to be issued, then lifted, to the extent such factors are known.

- (f) **Unilateral Action.** In the event Customer(s) or point operator(s) does not comply with an OFO or the actions thereunder are insufficient to correct the system problem, or there is insufficient time to carry out the OFO procedures, Operator may take unilateral action, including the curtailment of Firm service, to maintain the operational integrity of Operator's Facility. For purposes of this section, the operational integrity of Operator's Facility shall encompass the integrity of the physical system and the preservation of physical assets and their performance, the overall operating performance of the entire physical system as an entity, and the maintenance (on a reliable and operationally sound basis) of total system deliverability and the quality of gas to be delivered.
- (g) **Termination of OFO.** Operator shall lift any effective OFO promptly upon the cessation of operating conditions that caused the relevant system problem. After Operator has lifted the OFO, Operator shall post a notice on its Web Site specifying the factors that caused the OFO to be issued and then lifted, to the extent such factors are known. Operator shall also provide such notification by way of e-mail communication to those Customers who have submitted a request, and provided e-mail address

information for at least one contact person, by way of Operator's Web Site to receive e-mail notification of critical notices issued by Operator.

- (h) Penalties. All quantities tendered to Operator and/or taken by Customer on a daily basis in violation of an OFO shall constitute unauthorized receipts or deliveries for which the applicable OFO penalty charge stated below shall be assessed.
- (1) OFO penalty charge for each Dth of gas by which Customer deviated from the requirements of the OFO equal to an OFO Index Price calculated as three (3) times the applicable daily Gas Daily posting, plus all applicable transportation charges, for the Transporter on whose pipeline the deviation occurred for the Day on which the deviation occurred, multiplied by the quantity by which Customer deviated from the requirements of the OFO. The OFO Index Price shall be the "Gas Daily, Texas Eastern, M-1" or the "Gas Daily, Tennessee LA, 500 Leg" index price, as applicable for the Transporter on whose pipeline such deviation occurred.
 - (2) Any penalty revenue collected by Operator pursuant to this Section 6.7.4(h) shall be credited to those Firm and Interruptible Customers that did not incur the OFO pursuant to Section 6.7.4 herewith in the Month for which the OFO penalty revenues were received ("Non-Offending Customers"), based on the ratio of the total charges paid during that Month by the Non-Offending Customer to the sum of the total charges paid during that Month by all Non-Offending Customers. Such credits shall be calculated for each Month of the twelve (12) month period ending July 31 of each year and will be included on the Non-Offending Customer's invoice for the Month following the date of the final Commission order approving Operator's penalty disbursement report; provided, however, that Operator will calculate and include such credits on Non-Offending Customer's invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of OFO penalty revenue collected pursuant to this Section 6.7.4(h) by Operator as of the end of any Month exceeds \$1,000,000. Operator will file a penalty disbursement report within sixty (60) days of July 31 or sixty (60) days after the end of the Month for which the revenue collected exceeds \$1,000,000. Any penalty revenue credited to Non-Offending Customers pursuant to this section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.
- (i) Liability. Operator shall not be liable for any costs incurred by any Customer or point operator in complying with an OFO. Nor shall Operator

be responsible for any damages resulting from any interruption in service that is a result of a Customer's or point operator's failure to comply promptly and fully with an OFO, and the non-complying Customer or point operator shall indemnify Operator against any claims of responsibility. However, Operator shall use reasonable efforts to minimize any such costs or damages.

6.8 CAPACITY RELEASE

Any Customer under Rate Schedule FSS may seek to release for assignment to others any or all of its Firm service entitlements on a full day or an intraday basis, on a permanent or a temporary basis, and on a firm or recallable basis, subject to the following terms and conditions:

- 6.8.1 Notice of Offer. A Customer offering to release Firm service entitlements shall notify Operator by way of the EIM System of the terms of its offer by the posting deadline as determined pursuant to Section 6.8.3 below. Operator will post this information on the EIM System. Customer may propose a prearranged designated Replacement Customer to which the capacity would be released. Offers shall be binding unless written or electronic notice of withdrawal is received by Operator prior to the close of the applicable bid period; provided, however, such withdrawal shall only be valid if such Customer has an unanticipated requirement for such capacity and no minimum bid has been made. The notice must contain the reason for withdrawal which Operator shall post on the EIM System. The offer shall contain the following minimum information:
- (a) Customer's legal name and the name/title of individual who has authorized the offer to release;
 - (b) Operator's Service Agreement number;
 - (c) A description of the capacity to be released. The offer must state the MSQ, the MDRQ, the MDDQ, the MDIQ, and the MDWQ and the associated Point(s) of Receipt and Point(s) of Delivery, subject to the proposed release, and subject to the daily quantity limitations described in Section 6.8.2 below;
 - (d) The proposed effective date and term of the release;
 - (e) The identity of any prearranged designated Replacement Customer and the full terms of such prearranged release, including whether the release is to an asset manager, as defined in Section 284.8(h)(3) of the Commission's Regulations, and, if so, the asset manager's obligation to deliver gas to, or purchase gas from, the Releasing Customer, the volumetric level of the obligation and the time period(s) such obligation will be in effect, or whether the release is to a marketer participating in a state regulated retail access program, as defined in Section 284.8(h)(4) of the Commission's Regulations;
 - (f) The method to be applied in evaluating bids, allocating capacity and breaking ties, as described in Section 6.8.3 below;

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- (g) whether, to what extent, and the conditions pursuant to which capacity will be subject to recall for a full day or a partial day; and if recallable, (i) whether the Releasing Customer's recall notification must be provided exclusively on a Business Day, and (ii) any repeat methods and rights associated with returning the previously released capacity to the Replacement Customer;
- (h) whether bids on a volumetric rate basis may be submitted, and, if so, the method for evaluating any such bids, including how to rank bids if bids are also to be accepted on a demand charge basis and any other special conditions;
- (i) whether contingent bids that extend beyond the bid period may be submitted, how to evaluate and prioritize such bids against non-contingent bids, and the terms and conditions under which, and/or for what time period, the next highest bidder will be obligated to acquire the capacity should the winning contingent bidder withdraw its bid;
- (j) any extensions of the minimum posting/bid periods;
- (k) whether Releasing Customer desires to utilize the first-come, first-served option for short-term releases described in Section 6.8.3(a) below and any minimum terms applicable thereto;
- (l) other special terms and conditions Customer imposes on the release of its capacity, including, but not limited to, minimum rates, term and quantity;
- (m) whether to specify dollars and cents or percents of any maximum rate specified by the Releasing Shipper in the denomination of bids. All transportation service providers should support this. Once the choice is made, the bids shall comport with the choice;
- (n) for purposes of bidding and awarding, maximum/minimum rates specified by the Releasing Customer shall include the reservation rate specified in Exhibit A of Releasing Customer's Service Agreement with Operator and all demand surcharges, either as a total number or stated separately;
- (o) whether the release is on a permanent or a temporary basis;
- (p) an e-mail address for the Releasing Customer contact person. It is Customer's responsibility to update e-mail address information provided to Operator as necessary;
- (q) the recall notification period(s), as identified in Section 6.8.13(e) below, that will be available for use by the parties; and

- (r) a detailed description of any storage inventory that the Releasing Customer will transfer with its released storage capacity.

6.8.2 Intraday Release Quantity

The daily contractual entitlement that can be released by a Releasing Customer for an intraday release is limited to the lesser of:

- (a) the quantity contained in the offer submitted by the Releasing Customer;
or
- (b) a quantity equal to 1/24th of the Releasing Customer's MDIQ and MDWQ for the contract to be released multiplied by the number of hours between the effective time of the release and the end of the Day.

This allocated daily contractual entitlement shall be used for purposes of nominations, billing, and if applicable, any overrun calculations.

The MSQ that can be released by a Releasing Customer for an intraday release is limited to a quantity not in excess of the Releasing Customer's MSQ less the Releasing Customer's Storage Inventory.

6.8.3 Posting and Bidding Timeline.

For the Capacity Release business process timing model, only the following methodologies shall be supported by Operator and provided to Releasing Customers as choices from which they may select and, once chosen, shall be used in determining the awards from the bid(s) submitted. They are (i) highest rate, (ii) net revenue, and (iii) present value. At Operator's discretion, other choices of bid evaluation methodology (including other Releasing Customer-defined evaluation methodologies) can be accorded similar timeline evaluation treatment. However, Operator is not required to offer other choices or similar timeline treatment for other choices. Further, Operator shall not be held to the timeline specified in Sections 6.8.3(a) and 6.8.3(b) below should the Releasing Customer elect another method of evaluation; the timeline specified in Section 6.8.3(c) below shall apply. The proposed duration of Customer's release determines the minimum bid period for Customer's offer pursuant to Section 6.8 herewith. The Capacity Release timeline is applicable to all parties involved in the Capacity Release process; however, it is only applicable if (i) all information provided by the parties to the transaction is valid and the Replacement Customer has been determined to be creditworthy before the capacity release bid is tendered; and (ii) there are no special terms or conditions of the release.

The Capacity Release timeline is as follows:

- (a) For standard releases of less than one (1) year:

- (1) Offers shall be tendered by 9:00 a.m. CT on a Business Day;
- (2) The bid period shall end at 10:00 a.m. CT on the same Business Day or at 10:00 a.m. CT on any subsequent Business Day as specified in Releasing Customer's offer, whichever is elected by Releasing Customer;
- (3) Evaluation period begins at 10:00 a.m. CT on the day the bid period ends, during which contingency is eliminated, determination of best bid is made, and ties are broken;
- (4) Evaluation period ends and award is posted if no match is required at 11:00 a.m. CT the same day;
- (5) If the Prearranged Customer's bid is not the "best bid," Operator shall allow such Prearranged Customer a Matching Period of thirty (30) minutes from 11:00 a.m. CT until 11:30 a.m. CT on the day the Bid Period ends, or such later time as specified in the Releasing Customer's offer, to determine whether to match the "best bid" and to notify Operator of its decision.
- (6) If a match is required, the award will be posted by 12:00 p.m. CT.

Operator will issue a contract within one (1) hour of the award posting (with a new contract number, when applicable). Nominations for gas flow are possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Section 6.6 (Nominations and Scheduling) of these General Terms and Conditions; however, in no circumstance will gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

- (b) For standard releases of one year or longer:
 - (1) Offers shall be tendered by 9:00 a.m. CT four (4) Business Days before the award;
 - (2) The bid period shall end at 10:00 a.m. CT on the day before timely nominations are due (open season is three (3) Business Days) or at 10:00 a.m. CT on any subsequent Business Day as specified in Releasing Customer's offer, whichever is elected by Releasing Customer;
 - (3) Evaluation period begins at 10:00 a.m. CT on the day the bid period

ends, during which contingency is eliminated, determination of best bid is made, and ties are broken;

- (4) Evaluation period ends and award is posted if no match is required at 11:00 a.m. CT the same day;
- (5) If the Prearranged Customer's bid is not the "best bid," Operator shall allow such Prearranged Customer a Matching Period of thirty (30) minutes from 11:00 a.m. CT until 11:30 a.m. CT on the day the Bid Period ends, or such later time as specified in the Releasing Customer's offer, to determine whether to match the "best bid" and to notify Operator of its decision.
- (6) If a match is required, the award will be posted by 12:00 p.m. CT.

Operator will issue a contract within one (1) hour of the award posting (with a new contract number, when applicable). Nominations for gas flow are possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Section 6.6 (Nominations and Scheduling) of these General Terms and Conditions; however, in no circumstance will gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

- (c) Timeline for non-standard releases. If Customer specifies a bid evaluation methodology other than those stated in Section 6.8.3 herein or any special terms or conditions, the above timelines shall apply; provided, however, one (1) additional Business Day will be added to the evaluation period. Subsequent deadlines will be delayed by such additional Business Day, causing gas flow to occur at least one day later than under the standard timelines set forth in Sections 6.8.3(a) and 6.8.3(b) herein.
- (d) Releases Not Subject to Bidding. For proposed capacity releases of a duration of thirty-one (31) days or less for which Customer has obtained a Prearranged Customer, proposed capacity releases to an asset manager as defined in Section 284.8(h)(3) of the Commission's Regulations or for proposed capacity releases to a marketer participating in a state-regulated retail access program as defined in Section 284.8(h)(4) of the Commission's Regulations, and Customer elects not to post such proposed capacity releases for bidding pursuant to Section 6.8.1 herein, Customer shall notify Operator by providing the information pursuant to Section 6.8.1 herein, which information will be posted on the Web Site as required by Section 6.8.5 herein in accordance with the following timelines:

- (1) Timely Cycle: Posting of prearranged deals not subject to bid are due by 12:00 p.m. CT.

- (2) Evening Cycle: Posting of prearranged deals not subject to bid are due by 5:00 p.m. CT.
- (3) Intraday 1 Cycle: Posting of prearranged deals not subject to bid are due by 9:00 a.m. CT.
- (4) Intraday 2 Cycle: Posting of prearranged deals not subject to bid are due by 1:30 p.m. CT.
- (5) Intraday 3 Cycle: Posting of prearranged deals not subject to bid are due by 6:00 p.m. CT.

Prior to the nomination deadline for the chosen cycle for the begin date specified in Customer Notice, the Prearranged Customer must initiate confirmation for prearranged deals electronically. Operator will issue a contract within one (1) hour of notification of the release (with a new contract number, when applicable). Nominations for gas flow are possible beginning at the next available nomination cycle for the effective date of the contract. Such nominations will be processed in accordance with the nomination and scheduling requirements of Section 6.6 (Nominations and Scheduling) of these General Terms and Conditions; however, in no circumstance will gas flow prior to the effective date of the release as specified in Releasing Customer's offer.

For a capacity release to a Prearranged Customer that is exempt from bidding due to a transaction with a duration of thirty-one (31) days or less, such Prearranged Customer may not consummate a release with any Customer that utilizes the same capacity or overlaps such capacity without such release being subject to the bidding requirement if such Customer has, within the prior twenty-eight (28) consecutive days, released capacity to such Prearranged Customer, which prior release was not subject to the bidding requirements of this Section 6.8.

Operator shall post offers and bids, including prearranged deals, upon receipt, unless Releasing Customer requests otherwise. If a Releasing Customer requests a posting time, Operator shall support such request insofar as it comports with the standard timeline. A Releasing Customer cannot specify an extension of the original bid period or the prearranged deal match period, without posting a new release.

- 6.8.4 Prearranged Releases. Customer may designate an entity (a prearranged designated Replacement Customer) to which it has agreed to release the capacity upon specified terms and conditions. Customer's offer to release under such a prearranged transaction shall be subject to the posting and bidding procedures described in Sections 6.8.5 and 6.8.6, herein, with the prearranged designated

Replacement Customer being given a right to match the best bid submitted during the bid period; provided, however, if a prearranged transaction with a designated Replacement Customer is for a period of thirty-one (31) days or less, is with an asset manager (as defined in Section 284.8(h)(3) of the Commission's Regulations) or is with a marketer participating in a state-regulated retail access program (as defined in Section 284.8(h)(4) of the Commission's Regulations), the Releasing Customer shall provide notice to Operator in accordance with this section and may implement the release without complying with such prior posting and bidding procedures. Notice of such exempted releases shall be posted on the Web Site in accordance with Section 6.8.3 herein.

- 6.8.5 Posting. Following receipt of a notice of offer to release capacity which satisfies the requirements set forth in this Section 6.8, Operator will post such information on its Web Site in accordance with the timeline set forth in Section 6.8.3 herein. Operator shall also post offers to purchase capacity from those who desire current Customers to release capacity upon receipt of the applicable information as set forth in this Section 6.8.

Any party desiring to acquire released firm storage capacity pursuant to this Section 6.8 must submit its purchase offer information to Operator in accordance with instructions posted on the Internet Web Site under Notices-Request to Purchase Releasable Capacity, by e-mail to the address specified in the instructions. Such requests must include, at a minimum, the prospective Replacement Customer's contact information, quantity(ies) requested, desired date range, location information, other terms and conditions specified by the prospective Replacement Customer, and any additional information required by Operator. Upon receipt of a complete offer to purchase releasable capacity from a prospective Replacement Customer, Operator will post the offer on the public Informational Postings section of its Internet Web Site under Notices-Request to Purchase Releasable Capacity. Operator shall maintain purchase offer postings for a minimum of 30 days or until the prospective Replacement Customer asks Operator to remove the posting.

- 6.8.6 Bidding and Selection of Replacement Customer. All bids must contain the applicable information required in this Section 6.8. If Releasing Customer desires to solicit bids for releases of thirty-one (31) days or less, it may direct Operator to post notice of the availability of such capacity and, in lieu of permitting bids during the otherwise applicable posting period, award the capacity to the bidder which submits first in time a valid bid meeting any minimum terms specified by the Releasing Customer. Any bid submitted by a Replacement Customer shall include an e-mail address for at least one contact person, and it is Customer's responsibility to update e-mail address information provided to Operator, as necessary. A bidder may not have more than one eligible bid for the same release offer at any time. Bids shall be binding until written or electronic notice of withdrawal is received by Operator before the end of the bid period. Bids cannot be withdrawn after the bid period ends. Once a bid is withdrawn, that bidder may only submit a new bid pursuant to that release offer if it is at a higher rate than the

withdrawn bid. Operator shall evaluate the bids in accordance with the provisions of this Section 6.8 and determine the best bid in accordance with the timelines set forth in Section 6.8.3 herein. Operator shall not award capacity release offers to the Replacement Customer until and unless the Replacement Customer meets Operator's creditworthiness requirements applicable to all services that it receives from Operator, including the service represented by the capacity release. Further, Operator shall not award capacity release offers to the Replacement Customer until and unless it is reasonable to do so and Operator's lenders agree to so discharge the capacity. Operator shall notify Releasing Customer, the best bidder, and any prearranged designated Replacement Customer of such determination in accordance with the timelines set forth in Section 6.8.3 herein. If there is a prearranged designated Replacement Customer, it may exercise its right to match such best bid by providing written notice of such exercise to Operator and Releasing Customer in accordance with the timelines set forth in Section 6.8.3 herein.

After the Replacement Customer is selected, Operator will finalize an appropriate Addendum to the Capacity Release Umbrella Agreement in the form contained in this FERC Gas Tariff. Operator will provide a copy of this Addendum to the Replacement Customer by way of email or facsimile at Operator's option, at which time the Replacement Customer will have the same rights and obligations as any other existing Customer on Operator's Facility. Following implementation of the release, Operator shall post notice of the winning bidder on the EIM System.

- 6.8.7 Best Bid. When Operator makes awards of capacity for which there have been multiple bids meeting minimum conditions, Operator shall award the bids, best bid first, until all offered capacity is awarded. The capacity being awarded represents the MDIQ, MDWQ, or MSQ. These quantities are separate parts of the capacity and are awarded until one of the quantities is fully awarded, at which point all capacity is deemed to be fully awarded. Operator shall evaluate and determine the best bid among those otherwise consistent with any terms and conditions specified by the Releasing Customer as follows:
- (a) Operator shall apply the standard or criteria for such determination specified by the Releasing Customer, including the standard to be used for breaking ties. Any standard or criteria so specified must be objective, economic, not unduly discriminatory, not contrary to applicable provisions of this FERC Gas Tariff, applicable to all potential Replacement Customers and require Operator in applying such standard to exercise no more than a ministerial function. The Releasing Customer shall indemnify and hold Operator harmless from and against all demands, losses, claims, expenses, causes of action and/or damages suffered or incurred by Operator arising out of or related to any determination of a "best bid" pursuant to a standard specified, supplied, approved or provided by Releasing Customer.

- (b) In default of Releasing Customer specifying a bid evaluation standard, Operator shall determine the bid or bids generating the highest net present value, using a 10% discount factor, based on the rate bid (reservation or demand component), the applicable quantity(ies) and term or period bid upon. In default of Releasing Customer specifying a method to break ties priority will be given first to the bid with the shortest term, and next to the bid submitted first in time.

- 6.8.8 Qualification of Prospective Replacement Customer. A prospective Replacement Customer must be on Operator's approved bidders list before bids may be posted on the EIM System, must satisfy all requirements of the applicable rate schedule and these General Terms and Conditions and must have executed a Capacity Release Umbrella Agreement. To be on the approved bidders list, the prospective Replacement Customer must satisfy Operator's credit requirements as outlined in Section 6.2.3 of these General Terms and Conditions, and provide Operator any information required by Section 6.2.3 of these General Terms and Conditions. Such credit appraisal shall be reevaluated and updated every three (3) months. The prospective Replacement Customer shall remain on the approved bidders list until such prospective Replacement Customer (i) notifies Operator to the contrary, (ii) no longer meets the credit qualifications established in Section 6.2.3 of these General Terms and Conditions, or (iii) is suspended from the approved bidders list in the event, and for such time as, such Replacement or Prearranged Customer fails to pay part or all of the amount of any bill for service in accordance with Section 6.13 (Billing and Payment) of these General Terms and Conditions. Operator will apply its creditworthiness criteria to assess the submission. On a not unduly discriminatory basis, Operator will permit Replacement Customers not satisfying the creditworthiness requirements to submit bids, if the Releasing Customer provides Operator with a guarantee or other form of credit assurance in form and substance satisfactory to Operator of all financial obligations of the Replacement Customer with respect to the capacity being released by Releasing Customer prior to the commencement of service to the Replacement Customer.

- 6.8.9 Nominations. Following its selection, and prior to the flow of gas, the Replacement Customer shall be permitted to submit nominations pursuant to the terms and conditions of the applicable Rate Schedule and these General Terms and Conditions.

- 6.8.10 Billing. The Replacement Customer shall be billed and make payments to Operator in accordance with the applicable Rate Schedule, other provisions of this FERC Gas Tariff and of its Service Agreement incorporating its bid terms. In accordance with the terms of the release, the Replacement Customer shall pay or be liable for the maximum usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) applicable under the relevant Service Agreement between the Releasing Customer and Operator attributable to its usage of the released capacity. Operator shall continue to bill the Releasing Customer all applicable charges under its existing Service Agreement, excluding usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) billed

to the Replacement Customer and attributable to its usage of the released capacity. Invoices sent to the Releasing Customer shall reflect a credit equal to the Releasing Customer's reservation charge (plus all surcharges applicable thereto) obligation to Operator that is being billed to the Replacement Customer, if any, for the released capacity rights, or as otherwise agreed. In the event of a release with a volumetrically stated rate for the Replacement Customer, the reservation credit to the Releasing Customer shall be equal to the 100% load factor equivalent of the reservation charge (plus all surcharges applicable thereto) stated under the Releasing Customer's Service Agreement with Operator. If the Replacement Customer fails to pay when due all or part of the amounts credited to the Releasing Customer, Operator shall pursue payment from the Replacement Customer by notifying such Customer by registered letter, return receipt requested, that it has five (5) Days from receipt of such letter to pay the amount due including any applicable interest. If the Replacement Customer fails to pay such amount by the end of the fifth Day, Operator shall reverse the credit and bill the Releasing Customer for such past due amounts, plus applicable interest.

6.8.11 Rights and Obligations of the Parties.

- (a) The Service Agreement between the Releasing Customer and Operator shall remain in full force and effect with the Releasing Customer to receive a credit to its invoice as described in Section 6.8.10 above. If the Replacement Customer fails to pay all or part of the amounts credited to the Releasing Customer after the five day notification period specified in Section 6.8.10, Operator shall reverse the credit and bill the Releasing Customer for such past due amounts, plus applicable interest. The Service Agreement executed by the Replacement Customer shall be fully effective and enforceable by and against the Replacement Customer. The Replacement Customer may also release capacity pursuant to this Section 6.8, and in such event and for such purposes, shall be considered the Releasing Customer.
- (b) Operator shall accept nominations, schedule service, afford priority of service and interrupt service based on instructions and communications from the Releasing Customer and the Replacement Customer which are consistent with one another and with the terms and conditions of Operator's FERC Gas Tariff and their respective Service Agreements. In the event that instructions or nominations from the Releasing Customer and Replacement Customer are, in Operator's opinion, inconsistent or conflicting, Operator shall comply with the instructions of the Releasing Customer; provided, however, that such instructions must not be inconsistent with Operator's FERC Gas Tariff or the terms of either the Releasing Customer's or Replacement Customer's Service Agreement. The Releasing Customer will indemnify Operator against any claim or suit by the Replacement Customer, its successors or assigns, arising from any action taken by Operator in reliance upon the Releasing Customer's nominations and instructions and will hold Operator harmless for any

action taken by Operator in reliance upon the nominations and scheduling instructions of the Replacement Customer; provided, however, that the Releasing Customer shall not be liable for the Replacement Customer's failure to pay the usage charges (plus all applicable surcharges, Fuel Reimbursement, taxes, penalties, etc.) billed to the Replacement Customer and attributable to its usage of the released capacity.

The Replacement Customer will indemnify Operator against any claim or suit by the Releasing Customer, its successors or assigns, arising from any action taken by Operator in reliance upon the nominations and scheduling instructions of the Replacement Customer and will hold Operator harmless for any actions taken by Operator in reliance upon the instructions of the Releasing Customer.

6.8.12 Marketing Fee. If Operator and the Releasing Customer so agree, Operator may receive a negotiated fee for its marketing efforts.

6.8.13 Limitations.

- (a) Releases and assignments hereunder shall be for period(s) of one or more Day(s) and the maximum term shall not extend beyond the expiration of this FERC Gas Tariff provision or beyond the expiration of the Releasing Customer's Service Agreement.
- (b) Operator may invalidate any offer to release or any bid subsequent to its posting on the EIM System which does not conform to the requirements of this Section 6.8 and the other provisions of this FERC Gas Tariff and such invalidated offer or bid shall be deemed null and void.
- (c) Any terms and conditions imposed on the offer to release by the Releasing Customer as provided for in this Section 6.8 must be objectively stated, reasonable, capable of administration or implementation by Operator without any material increase in burden or expense, applicable to all potential bidders, not unduly discriminatory, and consistent with the terms and conditions of this FERC Gas Tariff and Releasing Customer's Service Agreement.
- (d) A Releasing Customer may re-release to the same Replacement Customer for a term of thirty-one (31) days or less at the agreed upon applicable maximum rates if: (i) a period of twenty-eight (28) days has elapsed after the first release for thirty-one (31) days or less has expired; (ii) the Point(s) of Receipt and/or Point(s) of Delivery for the re-release is different from the Point(s) of Receipt and/or Point(s) of Delivery of the first release; or (iii) the Releasing Customer causes the posting of an offer to release capacity or of a prearranged transaction to be made, and capacity is allocated on the basis of bids submitted.

- (e) Recall Provisions. If the Releasing Customer retains recall rights, Releasing Customer's offer to release capacity shall clearly specify the conditions precedent to such recall and whether the recall right retained by Releasing Customer is on a full day or partial day basis.

The Releasing Customer shall provide capacity recall notification to Operator by way of the EIM System. The recall notification shall specify the recall notification period for the specified effective Day, as well as any other information needed to uniquely identify the capacity being recalled.

Operator shall support the following recall notification periods for all released capacity subject to recall rights:

- (1) Timely Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 8:00 A.M. CT on the day that Timely Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 9:00 A.M. CT on the day that Timely Nominations are due;
- (2) Early Evening Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 3:00 P.M. CT on the day that Evening Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 4:00 P.M. CT on the day that Evening Nominations are due;
- (3) Evening Recall Notification:
 - (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 5:00 P.M. CT on the day that Evening Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 6:00 P.M. CT on the day that Evening Nominations are due;
- (4) Intraday 1 Recall Notification:

- (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 7:00 A.M. CT on the day that Intraday 1 Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 8:00 A.M. CT on the day that Intraday 1 Nominations are due; and
- (5) Intraday 2 Recall Notification:
- (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 12:00 p.m. CT on the day that Intraday 2 Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 1:00 p.m. CT on the day that Intraday 2 Nominations are due.
- (6) Intraday 3 Recall Notification:
- (i) A Releasing Customer recalling capacity should provide notice of such recall to Operator and the first Replacement Customer no later than 4:00 p.m. CT on the day that Intraday 3 Nominations are due;
 - (ii) Operator shall provide notification of such recall to all affected Replacement Customers no later than 5:00 p.m. CT on the day that Intraday 3 Nominations are due.

For recall notification provided to Operator prior to the intraday 3 recall notification deadline specified above and received between 7:00 A.M. CT and 5:00 P.M. CT, Operator shall provide notification to all affected Replacement Customers no later than one hour after receipt of such recall notification. For intraday 3 recall notification provided to Operator after 5:00 P.M. CT and prior to 7:00 A.M. CT, Operator shall provide notification to all affected Replacement Customers no later than 8:00 A.M. CT after receipt of such recall notification.

Operator's notices of recalled capacity to all affected Replacement Customers shall be provided by way of the EIM System, along with written notice by way of e-mail communication to those Replacement Customer contact person(s) identified in the Replacement Customer's bid submitted pursuant to Section 6.8.6 above. Such notices shall contain the information required to uniquely identify the capacity being recalled, and

shall indicate whether penalties will apply for the gas Day for which quantities are reduced due to a capacity recall. Upon receipt of notification of the recall from Operator, each affected Replacement Customer shall revise its nominations within the applicable nomination cycle in order to implement the recall. Each affected Replacement Customer will be solely responsible for adjusting its supply and transportation arrangements, which may be necessary as a result of such recall. Replacement Customers involved in re-release transactions may receive notice slightly after the first Replacement Customer receives notice. The recalling Releasing Customer may nominate the recalled capacity consistent with the applicable nomination cycle, as defined in Section 6.6.3 of these General Terms and Conditions.

- (f) Partial Day Recall Quantity. The daily contractual entitlement that can be recalled by a Releasing Customer for a partial day recall is a quantity equal to the lesser of:
- (1) The quantity specified in the Releasing Customer's notice to recall capacity; or
 - (2) The difference between the quantity released by the Releasing Customer and the Elapsed Prorata Capacity.

In the recall notification provided to Operator by the Releasing Customer, the quantity to be recalled shall be expressed in terms of the adjusted total released capacity entitlements based upon the Elapsed Prorata Capacity. In the event of an intra-day capacity recall, Operator shall determine the allocation of capacity between the Releasing Customer and the Replacement Customer(s) based upon the Elapsed Prorata Capacity.

The amount of capacity allocated to the Replacement Customer(s) shall equal the original released quantity less the recalled capacity. This allocated daily contractual quantity shall be used for purposes of nominations, billing, and, if applicable, for overrun calculations. As a result of the allocation of capacity described in this section, Operator shall not be obligated to deliver a combined quantity to the Releasing Customer and the Replacement Customer(s) that is in excess of the total daily contract quantity of the release.

The Releasing Customer shall exercise and administer such recall rights and Operator may rely on the Releasing Customer's notice and instructions. Releasing Customer shall indemnify and hold Operator harmless from and against all demands, losses, causes of action, expenses and/or damages resulting from or relating to Releasing Customer's exercise of its recall rights and Operator's compliance therewith including claims by the affected Replacement Customers.

- (g) Reput Provisions. Operator shall support the function of reputing by the Releasing Customer. The Releasing Customer may reput previously recalled capacity to the Replacement Customer pursuant to the reput rights and methods identified in the Releasing Customer's notice to release capacity, as required by Section 6.8.1(g) herein. When capacity is recalled, such capacity may not be reput for the same gas Day. The deadline for the Releasing Customer to notify Operator of a reput of capacity is 8:00 A.M. CT to allow the Replacement Customer to submit timely nominations for gas to flow on the next gas Day.
- (h) Following the awarding of capacity to a Replacement Customer in accordance with the procedures provided in this Section 6.8, the Releasing Customer's rights and Operator's obligations under the Releasing Customer's Service Agreement shall be modified and subject to the capacity rights released and assigned to the Replacement Customer for the term of such release. Effecting a release pursuant to the provisions of this section shall constitute Releasing Customer's consent and agreement to such amendment or modification of its existing Service Agreement.
- (i) The offer to release by a Customer under Rate Schedule FSS must specify the quantities of MDDQ, MDRQ, MSQ, MDIQ, MDWQ or rights offered, and actually available on the effective date of the assignment, and the exercise of which rights, in conjunction with Releasing Customer's exercise of its retained rights, will not violate any maximum or minimum quantity requirements or limitations applicable under the Rate Schedule or the respective Service Agreements. Releasing Customer shall be responsible for ensuring, if applicable, whether by the withdrawal or transfer-in-place of a portion of its Storage Inventory or otherwise as required, that such storage capacity, and the corresponding ability to inject/withdraw gas up to the MSQ released, in accordance with the terms and conditions of the Rate Schedule and within the time remaining in the injection and/or withdrawal period, as applicable, shall be available upon the commencement of the release. A Replacement Customer under Rate Schedule FSS shall be responsible for arranging transportation to and from Point(s) of Receipt and Point(s) of Delivery consistent with its rights and obligations under its Service Agreement and Rate Schedule FSS.

The Replacement Customer under Rate Schedule FSS must comply with all obligations imposed under such Rate Schedule and its rights to store, withdraw and/or inject gas will be subject to the provisions thereof. If the Releasing Customer proposes to, or requires a transfer-in-place of the portion of its Storage Inventory in conjunction with its release and assignment of storage capacity rights, it shall so specify in its offer to release and such transfer shall be implemented contemporaneously with the release and assignment subject to compliance with the provisions of Section 6.17 (Gas Title Transfers) of these General Terms and Conditions.

The Replacement Customer must withdraw the portion of its Maximum Storage Quantity by the end of the term of the release. In lieu of withdrawing the portion of its Storage Inventory, the Replacement Customer can also attempt to effect a transfer of the portion of its Storage Inventory to another storage service Customer as provided in Section 6.17 (Gas Title Transfers) of these General Terms and Conditions. If the Replacement Customer fails to withdraw or transfer the portion of its Storage Inventory by the end of the term of its release, title to the portion of Customer's remaining Storage Inventory will be vested, at no cost, in the Releasing Customer which released its capacity to the Replacement Customer on a temporary basis.

6.8.14 Operator's Rights to Terminate Temporary Capacity Releases.

- (a) In the event of a temporary release for which (i) Operator has given notice of termination of the Releasing Customer's contract because the Releasing Customer no longer satisfies Operator's credit requirements as outlined in Section 6.2.3(d) of these General Terms and Conditions and (ii) the reservation charge specified in the effective Addendum to the Replacement or Prearranged Customer's Capacity Release Umbrella Agreement is less than the level of the reservation charge which the Releasing Customer was obligated to pay Operator, then Operator shall be entitled to terminate the Addendum, upon 30 Days' written notice to the Replacement or Prearranged Customer, unless the Replacement or Prearranged Customer agrees prior to the end of said 30-Day notice period to pay for the remainder of the term of the Addendum either (a) the reservation and commodity charges at levels which the Releasing Customer was obligated to pay Operator, or (b) such rate as mutually agreed to by Operator and Replacement or Prearranged Customer. Customer may elect to pay the lesser of the two foregoing options. Operator's right to terminate the Addendum is subject to Operator providing written notice of termination to the Replacement or Prearranged Customer within 60 Days of the determination by Operator that the Releasing Customer no longer satisfies Operator's credit requirements. Termination of the Addendum shall not occur prior to termination of the Releasing Customer's contract.
- (b) In the event that a Customer has received 30 Days' notice of termination of the Addendum to Customer's Capacity Release Umbrella Agreement pursuant to Section 6.8.14(a) above for storage service and there is gas in storage for Customer's account at the end of such 30-Day period, the Addendum shall continue in force and effect for the sole purpose of withdrawal of said gas by Customer until Customer's Storage Inventory is zero. Operator shall require Customer to withdraw each day a quantity equal to the MDWQ, or such other lesser quantity acceptable to Operator. The requirement to withdraw storage quantities shall be suspended on any day to the extent that Operator cannot accommodate a nomination to

withdraw such storage quantities on such day. Customer may also transfer title of gas remaining in Customer's Storage Inventory to another Customer pursuant to Section 6.17 (Gas Title Transfers) of Operator's General Terms and Conditions. In the event Customer fails to withdraw its entire Storage Inventory within the time required by this Section, Operator shall auction any remaining Storage Inventory and credit the proceeds of such sale to Customer, net of withdrawal charges and fuel, if applicable. Customer shall indemnify Operator and hold it harmless from all costs, damages, and liabilities arising out of the failure of Customer to remove such Storage Inventory and the disposal of such Storage Inventory by sale by Operator. When the gas is purchased at auction, Customer purchasing the gas must provide identification of the existing storage service agreement with Operator under which Customer shall store all such gas purchased. Customer purchasing the gas agrees to pay the applicable storage rate on the gas purchased beginning on the date the bid was accepted at auction.

- 6.8.15 Adverse Notices to Releasing Customers. Operator shall provide the original Releasing Customer with e-mail notification reasonably proximate in time with any of the following formal notices given by Operator to the Releasing Customer's Replacement Customer(s), of the following:
- (a) Notice to the Replacement Customer regarding the Replacement Customer's past due, deficiency, or default status pursuant to Operator's tariff;
 - (b) Notice to the Replacement Customer regarding the Replacement Customer's suspension of service notice;
 - (c) Notice to the Replacement Customer regarding the Replacement Customer's contract termination notice due to default or credit-related issues; and
 - (d) Notice to the Replacement Customer that the Replacement Customer(s) is no longer creditworthy and has not provided credit alternative(s) pursuant to Operator's tariff.
- 6.8.16 Permanent Capacity Releases. To the extent that any Customer desires to release all or any part of its firm rights under an open-access rate schedule on a permanent basis, the procedures specified in this Section 6.8.16 shall apply. In addition, the Replacement Customer that will acquire the capacity from Customer must provide the credit information required by Section 6.2.3 of these General Terms and Conditions. For any permanent capacity release, the minimum bid acceptable to Operator shall be a bid for the remainder of the term of Customer's Service Agreement at the rate(s) Customer is obligated to pay Transporter for the capacity to be permanently released. In the event there is a request for a permanent release of Customer's capacity, Operator will agree to discharge the

Releasing Customer of liability, on a prospective basis, in whole or in part, provided, the Replacement Customer meets the minimum acceptable credit standard set forth in Section 6.2.3(b)(1) of these General Terms and Conditions. Operator may refuse to allow a permanent capacity release if it has a reasonable basis to conclude that it will not be financially indifferent to the release. If Customer's request to permanently release capacity is denied by Operator, Operator shall notify Customer by way of email and shall include in the notification the reasons for such denial.

6.9 QUALITY

6.9.1 Specifications. The gas delivered by either party to the other hereunder shall meet the quality specifications of the Transporter having the then-current most stringent quality specifications which receives or delivers such gas at the Point(s) of Receipt or Point(s) of Delivery located on Operator's Facility, as applicable, and, unless such Transporter's quality specifications are more stringent, shall be of such quality that it shall meet at least the following specifications:

- (a) Be commercially free from objectionable odors, dirt, dust, iron particles, gums, gumforming constituents, gasoline, PCBs, and other solid and/or liquid matter, including but not limited to water, gas treating chemicals and well completion fluids and debris, which may become separated from the gas during the transportation thereof.
- (b) Contain not more than one fourth (1/4) of one grain of hydrogen sulfide per one hundred (100) cubic feet, as determined by the cadmium sulfate quantitative test, nor more than ten (10) grains of total sulphur, excluding any mercaptan sulphur, per one hundred (100) cubic feet.
- (c) The gas delivered hereunder shall not contain more than two-tenths of one percent (0.2%) by volume of oxygen, shall not contain more than three percent (3%) by volume of carbon dioxide, shall not contain more than three (3%) by volume of nitrogen, and shall not contain a combined total of carbon dioxide and nitrogen components of more than four percent (4%) by volume.
- (d) Have a heating value of not less than nine hundred and sixty-seven (967) Btus per cubic feet and not more than eleven hundred (1100) Btus per cubic feet.
- (d) Have a temperature of not more than one hundred twenty degrees Fahrenheit (120 degrees F), or less than forty degrees Fahrenheit (40 degrees F).
- (e) For the purpose of clarification, these quality requirements shall only require Operator to accept for receipt from Customer gas that is of sufficient quality to be accepted for redelivery to Customer at any Points of Delivery served by Operator, regardless of whether Customer contracts for delivery at such Points of Delivery.
- (f) Have been dehydrated by the tendering party, by any method other than the use of a calcium chloride as desiccant, for removal of entrained water in excess of seven (7) pounds of water per million (1,000,000) cubic feet of gas as determined by dew-point apparatus approved by the Bureau of Mines, or such other apparatus as may be mutually agreed upon.

6.9.2 Rejection of Gas. Either party shall be entitled to reject any gas tendered to it by the other party which does not meet the minimum specifications of Section 6.9.1 herein. Acceptance of such gas does not constitute any waiver of Operator's right to refuse to accept similarly nonconforming gas. Customer shall be liable for and indemnify Operator against and reimburse Operator for all losses, damages and liabilities of any nature (including consequential damages) incurred by Operator and arising from Customer's tender of natural gas not in conformance with the specifications of Section 6.9.1 herein.

6.10 GAS PRESSURE AND INJECTION/WITHDRAWAL RATES

- 6.10.1 Delivery Pressure. Operator shall deliver gas to Customer at pressures sufficient to enter the facilities of Transporter(s) at the Point(s) of Delivery located on Operator's Facility against the operating pressures maintained by Transporter(s). Operator shall not be required to deliver gas at pressures in excess of or below those required by Transporter(s) or in excess of the maximum allowable operating pressure (MAOP) of Transporter(s). Customer shall deliver or cause to be delivered to Operator all gas for wheeling, parking or injection at the Point(s) of Receipt located on Operator's Facility at pressures required by Operator sufficient to perform such wheeling, parking or injection, but not in excess of the MAOP of Operator's facilities at the Point(s) of Receipt. Operator shall be responsible for maintaining facilities at such Point(s) of Receipt to permit Customer to deliver gas to Operator at the allowed pressures.
- 6.10.2 Receipt and Delivery Rates. Operator has designed the Facility required to wheel, store, inject and withdraw gas based on "normal" operating pressures maintained by the Transporter(s) at the Point(s) of Receipt/Delivery located on Operator's Facility with allowances for reasonable fluctuations. In the event that conditions on the Transporter's system vary substantially from this "normal" design condition coincident with high levels of Customer receipt or delivery activity, Operator's capability to receive or deliver the quantities set forth in its Service Agreements may be impaired, resulting in an interruption in service. If this happens, capacity will be allocated pursuant to Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of these General Terms and Conditions. Customer agrees to indemnify and hold Operator harmless for any loss caused by any such interruption in service.

6.11 MEASUREMENT

- 6.11.1 The unit of volume for the purpose of measurement and the determination of total heating value of all quantities of Gas received, injected, withdrawn, stored, wheeled, parked, loaned or delivered on Operator's Facility shall be one (1) cubic foot of Gas at the base temperature of sixty degrees Fahrenheit (60 degrees F) and at the absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch and dry. All fundamental constants, observations, records, and procedures involved in determining and/or verifying the quantity and other characteristics of gas delivered hereunder shall, unless otherwise specified herein, be in accordance with the standards prescribed in Report No. 3 of the American Gas Association, as now and from time to time amended or supplemented. All measurements of gas shall be determined by calculation into terms of such unit. All quantities given herein, unless expressly stated otherwise, are terms of such unit of volume. Notwithstanding the foregoing, it is agreed that, for all purposes, the Btu content of the gas volumes received and delivered by Operator hereunder shall be measured on a "dry" basis rather than a fully saturated or "wet" basis. For Gas volume reported in cubic meters, the standard conditions are one hundred one and three hundred twenty-five ten thousandths (101.325) kilopascals (kPa), 15 degrees Celsius (C), and dry.
- 6.11.2 Operator shall install, maintain and operate, or cause to be installed, maintained and operated, the measurement facilities required hereunder. Said measurement facilities shall be so equipped with orifice meters, recording gauges, or other types of meters of standard make and design commonly acceptable in the industry, as to accomplish the accurate measurement of gas delivered hereunder. The retrieval of data, calibrating and adjustment of meters shall be done by Operator or its agent.
- 6.11.3 The unit of Gas received, injected, withdrawn, stored, wheeled, parked, loaned or delivered shall be measured as one million (1,000,000) Btu's, as defined in Section 6.1 (Definitions) of these General Terms and Conditions. The quantity of Btu's received, injected, withdrawn, stored, wheeled, parked, loaned or delivered shall be determined by multiplying the number of cubic feet of Gas determined pursuant to Section 6.11.1 herein by the total heating value of such Gas in Btu's per cubic feet, rounded to not less than six (6) decimal places and by dividing the resulting product by one million (1,000,000), as such heating value is determined from time to time.
- 6.11.4 Reservoir Pressure. Operator and Customer acknowledge that the pressure that exists in the underground reservoir ("Reservoir Pressure") that comprises a part of the Facility will vary as a function of the total volume of gas that resides therein from time to time. The Reservoir Pressure, in turn, will affect the rates at which volumes of gas can be injected into or withdrawn from the Facility at any given point in time. Accordingly, Operator reserves the right at all times to adjust the MDIQ and/or MDWQ (and, if applicable, the MHIQ and/or MHWQ) specified in

the Service Agreement to reflect varying Reservoir Pressures, which adjustments (“Contract Quantity Adjustment”) may have the effect of increasing or decreasing from time to time the otherwise applicable MDIQ and/or MDWQ (and, if applicable, the MHIQ and/or MHWQ); provided however that (a) no such Contract Quantity Adjustment shall become effective until the later of (1) three (3) Business Days after the receipt by Customer of written notice from Operator advising Customer of such Contract Quantity Adjustment or (2) the date upon which such Contract Quantity Adjustment is to become effective, as specified by Operator in such notice and (b) for any given consecutive 12-Month period of the term of the Service Agreement (or the entire term of the Service Agreement, if such term is for a period of less than 12 Months), the aggregate of all Contract Quantity Adjustments occurring during such 12-Month period shall not have the effect of reducing the average MDIQ and MDWQ (and, if applicable, the MHIQ and MHWQ) in effect during such 12-Month period below the otherwise applicable MDIQ and MDWQ (and, if applicable, the MHIQ and MHWQ).

6.12 TITLE AND RISK OF LOSS

- 6.12.1 Customer warrants for itself, its successors and assigns, that it will have at the time of delivery of gas for wheeling, storage or injection hereunder either good title or the right to have gas transported or stored. Customer warrants for itself, its successors and assigns, that the gas delivered hereunder shall be free and clear of all liens, encumbrances, or claims whatsoever; and that it will indemnify Operator and save it harmless from all claims whatsoever; and that it will indemnify Operator and save it harmless from all claims, suits, actions, damages, costs and expenses arising directly or indirectly from or with respect to the title and/or right to gas tendered to Operator hereunder.
- 6.12.2 As between Customer and Operator: Customer shall be in control and possession of the gas prior to delivery to Operator for wheeling, parking, storage or injection at the Point(s) of Receipt located on Operator's Facility and after delivery by Operator to Customer at the Point(s) of Delivery located on Operator's Facility and shall indemnify and hold Operator harmless from any damage or injury caused thereby. Operator shall be in control and possession of the gas after the receipt of the same at the Point(s) of Receipt and until delivery by Operator to Customer at the Point(s) of Delivery and shall indemnify and hold Customer harmless from any damage or injury caused thereby, except for damages and injuries caused by the sole negligence of Customer. The risk of loss for all gas wheeled, injected into, parked, loaned or stored in and withdrawn from storage shall remain with Customer, and Operator shall not be liable to Customer for any loss of gas, except as may be occasioned due to the intentional or negligent acts or omissions by Operator. Any losses of gas, unless due to the intentional or negligent act or negligent act or omissions of Operator, shall be shared proportionally by all Customers, based on each Customer's Storage Inventory, Park Balance and Loan Balance, as applicable.

6.13 BILLING AND PAYMENTS

- 6.13.1 Invoice. Operator shall render to Customer (including a Replacement Customer), on or before the tenth (10th) Day of each Month, an invoice and any required backup data (which may be transmitted by facsimile) setting forth (a) the charges due for the current Month; (b) the total quantity of gas, stated in Dth, received from and delivered to Customer hereunder during the preceding Month(s), with applicable Point(s) of Receipt and Point(s) of Delivery properly identified, and the amount due therefore; and, if applicable, (3) the amount of Customer's gas in storage as of the close of the preceding Month and information sufficient to explain and support any adjustments made by Operator in determining the amount billed. Such invoice shall be submitted, and shall be considered duly delivered, to Customer by posting Customer's invoice on Operator's EIM System, or if requested by Customer in writing, by mailing such invoice to Customer by regular U.S. mail. During each Month that Customer receives invoices by way of Operator's EIM System, Operator will provide an e-mail notification, to the e-mail address designated by Customer, contemporaneously with the posting of the final invoice on Operator's EIM System. It is Customer's responsibility to update e-mail address information provided to Operator, as necessary. Customer may designate such agent to receive electronic invoices through the EIM System and may designate such agent to receive the e-mail notifications of the availability of Customer's final invoice on Operator's EIM System. If actual quantities are not available by the tenth (10th) Business Day of the Month, Operator may invoice based on best available data subject to adjustment to actuals at a later date. Quantities at points where balancing agreements exist shall be invoiced based on scheduled quantities.
- 6.13.2 Application of Payments for Released Capacity. Payments to Operator by a Replacement Customer for released capacity shall be applied as follows: (a) Operator shall retain amounts equal to the Replacement Customer's usage charges; (b) Operator will credit the balance to Reservation Charges due from the Replacement Customer; and (c) Operator shall remit the remaining balance, if any, or shall charge any balance due, to the Replacement Customer in accordance with Section 6.8.10 of these General Terms and Conditions. If any balance due from the Replacement Customer remains unpaid, the outstanding balance will then be billed to the Releasing Customer, provided that the Releasing Customer is only liable to the extent of its Reservation Charges.
- 6.13.3 Payment. Unless otherwise agreed, Customer shall pay by wire transfer in immediately available funds to Operator the full amount reflected on the invoice within ten (10) days of the date of the invoice. If the tenth (10th) Day shall fall upon a weekend or legal holiday, then such payment shall be made on the last regular Business Day prior to such tenth (10th) Day. Party making payment should submit supporting documentation; party receiving payment should apply payment per supporting documentation provided by the paying party; and if payment differs from invoiced amount, remittance detail should be provided with

the payment except when payment is made by electronic funds transfer (EFT), in which case, the remittance detail is due within two Business Days of the payment due date.

- 6.13.4 **Billing Adjustments.** If an error is discovered in any billing, such error shall be adjusted within 30 Days of the determination thereof. If a dispute arises as to the amount payable in any invoice rendered hereunder, Customer shall nevertheless pay when due the amount not in dispute under such invoice. Such payment shall not be deemed to be a waiver of the right by Customer to recoup any overpayment, nor shall acceptance of any payment be deemed to be a waiver by Operator to recoup any underpayment. In the event Customer fails to forward the entire undisputed amount due to Operator when the same is due, interest on the unpaid portion shall accrue at the same rate of interest and in the same manner as prescribed for pipeline refunds as set forth in Section 154.501(d) of the Commission's regulations under the Natural Gas Act from the date such payment is due until the same is paid. If Customer's failure to pay the undisputed portion of any invoice rendered hereunder continues beyond thirty (30) Days after the due date of such invoice, then Operator, in addition to all other legal remedies available to it, shall have the right and option to suspend further deliveries on gas until such default shall have been cured. If Customer fails to pay the undisputed portion of any invoice, then Operator, in addition to all other legal remedies available to it, shall have the right and option to terminate service hereunder.
- 6.13.5 **Billing Disputes.** If Customer withholds payment of any disputed amount as authorized herein, Customer shall within ten (10) Days after the due date of the disputed invoice submit to Operator a written explanation of the dispute and any available supporting documentation. The parties shall then cooperate in good faith to resolve such dispute as expeditiously as possible, and the portion, if any, of such disputed amount eventually determined to be due shall bear interest at the rate stated in Section 6.13.4 above from the original due date until the date actually paid.
- 6.13.6 **Right to Audit.** Both Operator and Customer shall have the right at their own expense to examine and audit at any reasonable time the books, records (including measurement, billing and payment) and charts of the other to the extent necessary to verify the accuracy of any Schedules or charges made under or pursuant to any of the provisions of Customer's Service Agreement. Upon request, Customer shall also make available to Operator for audit purposes and relevant records of Transporters to which Customer has access. A formal audit of accounts shall not be made more often than once each Contract Year. Any inaccuracy will be promptly corrected when discovered; provided, however, that neither Operator nor Customer shall be required to maintain books, records or charts for a period of more than two (2) Contract Years following the end of the Contract Year to which they are applicable. Neither Operator nor Customer shall have any right to question or contest any charge or credit if the matter is not called to the attention of the other in writing within two (2) Contract Years after the end of the Contract

Year in question.

6.13.7 Taxes. If at any time Operator is required to remit any taxes assessed on the gas pursuant to Customer's Service Agreement, then Operator shall have the right to collect from Customer such taxes, including penalties and interest. Customer agrees to reimburse Operator for the taxes assessed on the gas, including any penalties and interest, within fifteen (15) Days of the date of invoice from Operator. Customer shall furnish Operator information, satisfactory to Operator, to enable Operator to comply with any reports required by state or federal government and agencies. Customer recognizes that Operator may be required to file federal and state tax returns, and Customer agrees to furnish Operator with adequate information pertaining to the taxation on the gas and Customer shall coordinate such filings with Operator.

6.14 FUEL REIMBURSEMENT

6.14.1 Fuel Usage. Fuel usage shall include, but not limited to, on site compression, dehydration, line heating, electric power generation, facility heating, vehicle operation and lost and unaccounted for quantities, as applicable, that are required for the operation and maintenance of Operator's gas storage facilities.

6.14.2 Fuel Reimbursement. Fuel Reimbursement shall be calculated separately for storage services, wheeling, balancing, parking, and loaning under Rate Schedules FSS, ISS, EPS, ELS, IWS, IPS, ILS, IBTS and IBS. Each Fuel Reimbursement charge shall be negotiated by Operator and Customer such that reimbursement of fuel may be paid either in-kind as a percentage of the Dth quantity of gas received by Operator from Customer or in dollars per Dth, as set forth in Customer's Service Agreement(s).

6.15 FORCE MAJEURE

- 6.15.1 Relief from Liability. Neither party shall be taken to have breached its obligations under the Service Agreement, the applicable Rate Schedule, or these General Terms and Conditions by reason of any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, acts of sabotage, explosions, damage, breakage or accident to machinery or lines of pipe, failure of third-party transportation, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension under this section, which act, omission or circumstance such party is unable by the exercise of due diligence to prevent or overcome.
- 6.15.2 Liabilities Not Relieved. Such causes or contingencies affecting performance by either party, however, shall not relieve such party of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting performance relieve either party from its obligations to make payments of amounts then due in respect of gas theretofore delivered.
- 6.15.3 Proration of Impaired Deliveries. The provisions of Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of these General Terms and Conditions shall govern the apportionment of available capacity when such available capacity is impaired so that Operator is unable to deliver to Customer the daily or annual quantities of gas provided by effective service agreements.
- 6.15.4 Scheduling of Construction and Maintenance. Operator shall have the right to curtail, interrupt, or discontinue service in whole or in part on all or a portion of its system from time to time to perform repair, maintenance or improvements on Operator's Facility as necessary to maintain the operational capability of the system, or to comply with applicable regulatory requirements, or to perform construction pursuant to valid FERC authorization. Operator shall exercise due diligence to schedule repair, construction and maintenance so as to minimize disruptions of service to Customer and shall provide reasonable notice of the same to Customer.
- 6.15.5 Compliance with Directives of Governmental Agencies. Whenever in order to comply with orders, directives or regulations of duly constituted state, local or federal authorities, including, but not limited to, the Department of Transportation, the Federal Energy Regulatory Commission, and the Environmental Protection Agency, Operator must curtail deliveries to Customer and is unable to deliver to Customer the quantities of gas which Customer may

then require up to the quantities of gas Operator is then obligated to deliver to Customer, Operator shall not be liable in damages or otherwise to Customer or any other person or entity for any such failure to deliver such quantities of gas to Customer except to the extent the orders or directives were issued as a result of imprudence or failure to exercise due diligence on the part of Operator.

- 6.15.6 Effect of Interconnecting Operations. In the event that any upstream entity involved in handling Customer's gas refuses or is unable to deliver gas to Operator, Operator shall not be required to continue deliveries of gas on behalf of Operator to the extent of such refusal or inability to deliver gas to Operator. In the event that any downstream entity involved in handling Customer's gas refuses or is unable to receive gas from Operator, Operator shall have the right to reduce deliveries of gas on behalf of Customer to the extent of such refusal or inability by the downstream entity to receive gas.

6.16 NAESB STANDARDS

Operator has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 3.0, and the standards revised by Minor Corrections MC15003, MC15004, MC15005, MC15009 and MC15012 all marked with an asterisk [*], which are required by the Commission in 18 CFR Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards Incorporated by Reference:

General Standards: 0.3.1, 0.3.2, 0.3.16, and 0.3.17.

Creditworthiness Standards: 0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9, and 0.3.10.

Gas-Electric Operational Communications Standards: 0.3.11, 0.3.12, 0.3.13, 0.3.14, and 0.3.15.

Operating Capacity and Unsubscribed Standards: 0.3.18, 0.3.20, 0.3.21, and 0.3.22.

Location Data Download Standards: 0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, and 0.3.29.

Nominations Related Standards: 1.3.1*, 1.3.3, 1.3.4, 1.3.5*, 1.3.6, 1.3.7, 1.3.8*, 1.3.9*, 1.3.11*, 1.3.13, 1.3.14, 1.3.15, 1.3.16, 1.3.17, 1.3.18, 1.3.19, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33*, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.51, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80, and 1.3.81.

Flowing Gas Related Standards: 2.3.1, 2.3.2, 2.3.3, 2.3.4, 2.3.5, 2.3.6, 2.3.7, 2.3.8, 2.3.9, 2.3.10, 2.3.11, 2.3.12, 2.3.13, 2.3.14, 2.3.15, 2.3.16, 2.3.17, 2.3.18, 2.3.19, 2.3.20, 2.3.21, 2.3.22, 2.3.23, 2.3.25, 2.3.26, 2.3.27, 2.3.28, 2.3.29, 2.3.30, 2.3.31, 2.3.32, 2.3.40, 2.3.41, 2.3.42, 2.3.43, 2.3.44, 2.3.45, 2.3.46, 2.3.47, 2.3.48, 2.3.50, 2.3.51, 2.3.52, 2.3.53, 2.3.54, 2.3.55, 2.3.56, 2.3.57, 2.3.58, 2.3.59, 2.3.60, 2.3.61, 2.3.62, 2.3.63, 2.3.64, 2.3.65, and 2.3.66.

Invoicing Related Standards: 3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.14, 3.3.15, 3.3.16, 3.3.17, 3.3.18, 3.3.19, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, and 3.3.26.

Quadrant Electronic Delivery Mechanism Related Standards: 4.3.1, 4.3.2, 4.3.3,

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4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.60, 4.3.61, 4.3.62, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.83, 4.3.84, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.103, 4.3.104, and 4.3.105.

Capacity Release Related Standards: 5.3.15.3.3, 5.3.4, 5.3.7, 5.3.8, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.13, 5.3.14, 5.3.15, 5.3.16, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.2.23, 5.3.24, 5.3.25, 5.3.26, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.44, 5.3.45, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.55, 5.3.56*, 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.3.62, 5.3.62(a), 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, and 5.3.73.

Internet Electronic Transport Related Standards: 10.3.1, 10.3.3, 10.3.4, 10.3.5, 10.3.6, 10.3.7, 10.3.8, 10.3.9, 10.3.10, 10.3.11, 10.3.12, 10.3.14, 10.3.15, 10.3.16, 10.3.17, 10.3.18, 10.3.19, 10.3.20, 10.3.21, 10.3.22, 10.3.23, 10.3.24, 10.3.25, 10.3.26, and 10.3.27.

Gas/Electric Operational Communications Definitions: 0.2.1, 0.2.2, 0.2.3, 0.2.4, and 0.2.5.

Nominations Related Definitions: 1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 1.2.15, 1.2.16, 1.2.17, 1.2.18, and 1.2.19.

Flowing Gas Related Definitions: 2.2.1, 2.2.2, 2.2.3, 2.2.4, and 2.2.5.

Invoicing Related Definition: 3.2.1.

Quadrant Electronic Delivery Mechanism Related Definitions: 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18, 4.2.19, and 4.2.20.

Capacity Release Related Definitions: 5.2.1, 5.2.2, 5.2.3, 5.2.4, and 5.2.5.

Internet Electronic Transport Related Standards: 10.2.1, 10.2.2, 10.2.3, 10.2.4, 10.2.5, 10.2.6, 10.2.7, 10.2.8, 10.2.9, 10.2.10, 10.2.11, 10.2.12, 10.2.13, 10.2.14, 10.2.15, 10.2.16, 10.2.17, 10.2.18, 10.2.19, 10.2.20, 10.2.21, 10.2.22, 10.2.23, 10.2.24, 10.2.25, 10.2.26, 10.2.27, 10.2.28, 10.2.29, 10.2.30, 10.2.31, 10.2.32, 10.2.33, 10.2.34, 10.2.35, 10.2.36, 10.2.37, and 10.2.38.

Storage Information Datasets: 0.4.1*.

Operating Capacity and Unsubscribed Datasets: 0.4.2*, and 0.4.3.

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Location Data Download Dataset: 0.4.4*.

Nominations Related Datasets: 1.4.1*, 1.4.2*, 1.4.3*, 1.4.4*, 1.4.5*, 1.4.6*, and 1.4.7*.

Flowing Gas Related Datasets: 2.4.1*, 2.4.2, 2.4.3*, 2.4.4*, 2.4.5*, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.17, and 2.4.18.

Invoicing Related Datasets: 3.4.1*, 3.4.2, 3.4.3, and 3.4.4.

Capacity Release Related Datasets: 5.4.14, 5.4.15, 5.4.16*, 5.4.17, 5.4.20,* 5.4.21*, 5.4.22*, 5.4.23, 5.4.24*, 5.4.25, 5.4.26*, and 5.4.27.

Standards not Incorporated by Reference and their Location in Tariff:

NAESB Standard:

1.3.2 (i-vi)
5.3.2

Tariff Record:

Nominations and Scheduling, 6.6
Capacity Release, 6.8

6.17 GAS TITLE TRANSFERS

6.17.1 Title Transfers of Gas in Storage

- (a) A Customer that has executed a Service Agreement under Rate Schedules FSS, ISS, EPS, ELS, IPS or ILS may sell Storage Inventory to any other Customer that has executed a Service Agreement under Rate Schedules FSS, ISS, EPS, ELS, IPS, and ILS if:
 - (1) Customer selling Storage Inventory provides notification to Operator's dispatcher prior to the nomination deadline and Operator with written verification of the transfer within three (3) Business Days;
 - (2) The purchase does not cause any other Customer to exceed its MSQ, Maximum Park Quantity or Maximum Loan Quantity, as applicable, and as specified in Customer's Service Agreement, or cause either Customer's Storage Inventory balance to go below zero;
 - (3) Operator determines, in its sole discretion exercised within 24 hours after receiving the notification, that such purchase will not affect Operator's ability to meet its obligations to existing Customers or the operations of its storage facilities, including any effect resulting from differences between the withdrawal and injection entitlements and service profiles of the Customer transferor and transferee.
- (b) Operator will recognize the transfer for purposes of computing available Storage Inventory on a prospective basis within 24 hours after receiving the notification. In the event the required written verification is not received, the transfer will no longer be recognized and the Storage Inventory for each Customer will be restated to reflect the reversal of the transfer.
- (c) For each title transfer of gas in storage performed by Customer under this Section, Customer shall pay the gas title transfer rate set forth in Customer's Service Agreement.

6.17.2 Title Transfers of Gas Wheeled

- (a) Transfers of title between Customers and/or Service Agreements under which gas is wheeled on Operator's Facility may be permitted by Operator at Point(s) of Receipt and Point(s) of Delivery located on Operator's Facility on an interruptible basis.

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- (b) Requests for such transfers shall be made in accordance with the nomination procedures set forth in Section 6.6 (Nominations and Scheduling) of these General Terms and Conditions. Operator shall not unreasonably withhold approval of such transfers.
- (c) For each title transfer nominated by Customer under this Section 6.17, Customer shall pay the gas title transfer rate set forth in Customer's Service Agreement.

6.18 PENALTIES

6.18.1 A Customer shall be liable for and shall be required to reimburse Operator for all penalties, charges and fees which Operator is required to pay to Transporter(s) as a consequence of Customer's actions. The recovery of such penalty amounts shall be on an as-billed basis.

6.18.2 In addition to the payment of the penalties set forth in Section 6.18 herein, the responsible Customer shall also be liable for, and shall reimburse Operator for all costs incurred by Operator as a consequence of such Customer's actions.

6.19 NOTICES

- 6.19.1 Any notice, request, demand, or Schedule, provided for in Customer's Service Agreement, except as otherwise provided herein, shall be given in writing, shall be delivered in person or sent by registered letter by way of the United States Postal Service or sent by way of e-mail or facsimile to the Parties at the addresses shown in the executed Service Agreement or at such other addresses as may hereafter be furnished to the other Party in writing. Each Party shall have the right to change the place to which notice shall be sent or delivered by similar notice or like manner to the other Party.
- 6.19.2 The effective date of notice issued pursuant to this Section 6.19 shall be the earlier of the date of addressee's receipt of notice or the third (3rd) Business Day following the date on which the same is mailed by registered or certified mail, prepaid postage. Any notice initially delivered by facsimile shall be confirmed by regular mail within one (1) week after transmission of the facsimile.

6.20 JOINT OBLIGATIONS

When Customer under a Service Agreement consists of two or more persons, the obligations of such persons under such agreement shall be joint and several and, except as otherwise provided, any action provided to be taken by Customer shall be taken by such persons jointly.

6.21 WAIVERS

Operator may waive any of its rights under this FERC Gas Tariff or any obligations of Customer on a basis which is not unduly discriminatory; provided that no waiver by either Customer or Operator of any one or more defaults by the other in the performance of any provision of the Service Agreement between Customer and Operator shall operate or be construed as a waiver of any future default or defaults, whether of a like or of a different character.

6.22 MODIFICATION

No modification to the terms and provisions of any Service Agreement or exhibit thereto shall be or become effective except by the execution of a superseding Service Agreement or exhibit thereto.

6.23 SUCCESSORS IN INTEREST

Any company that succeeds by purchase, merger, consolidation or otherwise to the properties substantially as an entirety, of Operator or of Customer, used or intended to be used for rendering gas services authorized by the Commission, shall be entitled to the rights and shall be subject to the obligations of its predecessors in title under a Service Agreement. In accordance with the capacity release procedures set forth in Section 6.8 (Capacity Release) of these General Terms and Conditions, Customer may, without relieving itself of its obligations under such agreement, assign any of its rights and obligations thereunder to another Customer, but otherwise no assignment of such agreement, or of any of the rights or obligations thereunder shall be made unless there first shall have been obtained the consent thereto of Operator, in the event of any assignment by Customer, or the consent thereto of Customer, in the event of an assignment by Operator. Notwithstanding the foregoing, Customer may, upon notice to Operator but without the need for Operator's consent, assign all or part of its right, interest and obligations under this Agreement to any wholly-owned affiliate(s) of Customer that has a credit rating equal to or higher than Customer's but in no event lower than the Minimum Acceptable Credit Rating (or that has been provided a guarantee in Operator's favor from an affiliated entity with such a rating). In the event of a sale of an electric generating unit or units at any of Customer's electric generating facilities which are supplied gas from Operator's storage facilities, Customer may, upon notice to Operator but without the need for Operator's consent, assign all or part of its right, interest and obligations under this Agreement (except for the assignment rights under this Section 6.23) to any third party (or parties) that: (i) has a credit rating equal to or better than the Minimum Acceptable Credit Rating, and (ii) purchases said electric generating unit or units. No assignment by Customer pursuant to this Section 6.23 shall relieve Customer of its obligations under a Service Agreement unless such release is specifically granted by Operator. In the event there is a request for a permanent release of Customer's obligations, Operator will agree to discharge Customer of liability, on a prospective basis, in whole or in part, provided the assignee Customer meets the minimum acceptable credit standard set forth in Section 6.2.3(b)(1) of these General Terms and Conditions. If Customer's request for a permanent release from liability is denied by Operator, Operator shall notify Customer by way of e-mail and shall include in the notification the reasons for such denial. These restrictions on assignment shall not in any way prevent any Party from pledging or mortgaging its rights under a Service Agreement as security for its indebtedness.

6.24 DEFAULT

- 6.24.1 Termination. If either Operator or Customer shall fail to perform any of the covenants or obligations imposed upon it or them under and by virtue of this FERC Gas Tariff or any effective Service Agreement except due to causes excused by Force Majeure, then the other party may at its option terminate such agreement by proceeding as follows. The party not in default shall provide written notice to the party in default stating specifically the cause for terminating the agreement and declaring it to be the intention of the party giving the notice to terminate the same; thereupon the party in default shall have thirty (30) days after receipt of such notice to remedy or remove the cause or causes stated in the notice, and if within the thirty (30) day period the party in default does so remove and remedy said cause or causes and fully indemnifies the party not in default for any and all consequences of such breach, by a good and sufficient indemnity bond or otherwise, then such notice shall be withdrawn and the agreement shall continue in full force and effect. In case the party in default does not so remedy and remove the cause or causes or does not so indemnify the party giving the notice for any and all consequences of such breach, within the thirty (30) day period, then, after any necessary authorization by regulatory bodies having jurisdiction, the agreement shall become void at the expiration of said period, provided that notice of termination has not been withdrawn prior thereto. Any cancellation of such agreement pursuant to the provisions of this Section shall be without prejudice to the right of Operator to collect any amounts then due to it for the provision of any natural gas service prior to the time of cancellation, and shall be without prejudice to the right of Customer to receive any service for which it has paid but has not received, although entitled thereto, prior to the time of cancellation, and without waiver of any remedy to which the party not in default may be entitled for violations of such agreement
- 6.24.2 Suspension of Service. Prior to a termination for default, Operator may suspend service to any Customer who fails to comply with this FERC Gas Tariff, inclusive of the General Terms and Conditions, the applicable Rate Schedule, or Customer's Service Agreement. Operator's failure to invoke its right to terminate an agreement for default shall not be construed as a waiver of Operator's right to terminate service during any other period when Customer is in violation of the terms of this FERC Gas Tariff or of Customer's Service Agreement.
- 6.24.3 Other Rights Preserved. The availability or exercise of the right to terminate a Service Agreement pursuant to this section shall not serve to diminish or affect the right of the Parties to seek damages or specific performance, for breach of the Service Agreement, as provided in such agreement.
- 6.24.4 Waiver of Default. No waiver by either Party of any one or more defaults by the other in the performance of any provisions of the Service Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or different character.

6.25 CONSTRUCTION OF NEW FACILITIES

- 6.25.1 Except as provided in Section 6.25.2 herein, Customer shall reimburse Operator (a) for the costs of any facilities installed by Operator with Customer's consent to receive, measure, store or deliver gas for Customer's account and (b) for any and all filings and approval fees required in connection with Customer's Service Agreement that Operator is obligated to pay to the Commission or any other governmental authority having jurisdiction. Any reimbursement due Operator by Customer pursuant to this Section 6.25.1 shall be due and payable to Operator within ten (10) Days of receipt by Customer of Operator's bill(s) for same; provided, however subject to Operator's consent such reimbursement, plus carrying charges thereon, may be amortized over a mutually agreeable period not to extend beyond the primary contract term of the Service Agreement between Operator and Customer. Carrying charges shall be computed utilizing interest factors acceptable to both Operator and Customer.
- 6.25.2 Operator may waive from time to time, at its discretion, all or a portion of the facility cost reimbursement requirement set forth in Section 6.25.1 above for Rate Schedule FSS if Customer provides Operator adequate assurances of storage quantities to make construction of the facilities economical to Operator. All requests for waiver shall be handled by Operator in a manner which is not unduly discriminatory. For purposes of determining whether a project is economical, Operator will evaluate projects on the basis of various economic criteria, which will include the estimated storage quantities, cost of the facilities, operating and maintenance expenses as well as administrative and general expenses attributable to the facilities, the revenues Operator estimates will be generated as a result of such construction, and the availability of capital funds on terms and conditions acceptable to Operator. In estimating the revenues to be generated, Operator will evaluate the existence of capacity limitations upstream and downstream of the facilities, the marketability of the capacity, the interruptible versus the firm nature of the service, and other similar factors which impact whether the available capacity will actually be utilized.

6.26 OFF-SYSTEM PIPELINE CAPACITY

From time to time, Operator may enter into transportation and/or storage agreements with other interstate and intrastate pipeline companies. In the event that Operator acquires capacity on an off-system pipeline, Operator will use such capacity for operational reasons and will only render service to Customers on the acquired capacity pursuant to Operator's FERC Gas Tariff and subject to Operator's rates, as such tariff and rates may change from time to time. For purposes of transactions entered into subject to this Section 6.26 the "Customer must have title" requirement is waived.

6.27 ELECTRONIC COMMUNICATIONS

6.27.1 Operator has established an electronic communications information management system (hereinafter referred to as the EIM System), for use by any EIM System Subscriber. The EIM System is an interactive system pursuant to which Customers' notices pursuant to Section 6.8 (Capacity Release) of these General Terms and Conditions will be submitted electronically and, in addition, posted electronically by Customer. Certain other transactions, such as postings and bids, pursuant to Section 6.27.8 herein will be electronically confirmed on the EIM System as they occur. The EIM System shall be available on a nondiscriminatory basis to any EIM System Subscriber by requesting a user identification and password. Requests for access to the EIM System should be sent to the following:

Cardinal Gas Storage Partners, LLC
Monroe Gas Storage Company, LLC
Attn: Contact Administrator
Three Riverway, Suite 1250
Houston, TX 77056
Telephone: 713-350-2500
Fax 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Operator reserves the right to provide enhancements to the EIM System at its sole discretion; provided, however, all such enhancements when fully operational shall be provided to all EIM System Subscribers. Operator will exercise due diligence to ensure the EIM System operates correctly and will provide timely and equal access to any information available on the EIM System

6.27.2 The EIM System provides on-line help, a search function that permits an EIM System Subscriber to locate information, and permits an EIM System Subscriber to electronically download transactional file(s) from the EIM System and to split extremely large documents into smaller files prior to such download. Operator shall maintain and retain daily back-up records of the information displayed on the EIM System for three (3) years and permit an EIM System Subscriber to review those records. Completed transactions will remain on the EIM System for at least ninety (90) Days after completion and will then be archived. Archived information is available from Operator within a reasonable period of time after receipt of a Customer's request for such information. Information on the most recent entries will appear ahead of older information.

6.27.3 An EIM System Subscriber has the option to utilize the EIM System for the purposes of (a) providing nominations, allocations and viewing of operational imbalances under all Rate Schedules as a Customer of Operator pursuant to

the applicable Rate Schedule and these General Terms and Conditions; (b) exercising its rights as a Customer of Operator pursuant to Section 6.8 (Capacity Release) of these General Terms and Conditions or submitting a bid as a Replacement or Prearranged Customer of Operator pursuant to such Section 6.8, or posting a Request for capacity release pursuant to such Section 6.8; and (c) viewing and downloading operational data for any gas Day. When necessary, Operator will post on the EIM System and the Web Site, as appropriate, available information about the imbalance and overrun status of each Customer and the Facility.

- 6.27.4 Operator has established a Web Site for use by any interested party. The Web Site shall display non-proprietary information and any information that Operator is required by this FERC Gas Tariff and/or Commission regulations to make available to the general public. The Web Site provides menus that permit any party to (i) separately access notices of available capacity, (ii) records in the storage service request log; (iii) view Operator's notice of an Operational Flow Order as contemplated by Section 6.7 (Priority, Interruption of Service and Operational Flow Orders) of these General Terms and Conditions, and (iv) download the posted information. When necessary, Operator will post on the EIM System and the Web Site, as appropriate, available information about the imbalance and overrun status of each Customer and the Facility. Operator shall maintain and retain daily back-up records of the information displayed on the Web Site for at least ninety (90) Days and will then be archived. Archived information is available from Operator within a reasonable period of time after receipt of a request for such information. Information on the most recent entries will appear ahead of older information.
- 6.27.5 Operator shall post at least four (4) times a Day on the Web Site information relevant to the availability of firm and interruptible capacity on its Facility. The EIM System and the Web Site will note whether the capacity is available from Operator directly or through Operator's capacity release mechanism as set forth in Section 6.8 (Capacity Release) of these General Terms and Conditions. The EIM System and the Web Site shall provide information about imbalances on a daily basis. The EIM System and the Web Site also include information allowed or required to be posted thereon by other provisions of the tariff including Section 6.8, information which Operator is required to post pursuant to Section 284.13 of the Commission's Regulations, or other information Operator chooses to post in furtherance of the operation of its system.
- 6.27.6 For generic, system-wide notices of any provision of this FERC Gas Tariff requiring that matters be written or in writing are satisfied by Operator utilizing electronic transmission through the EIM System. Critical system-wide notices will be in a separate category from notices that are not critical. The provisions of this FERC Gas Tariff requiring that certain specific matters be written or in writing are satisfied by Customer utilizing electronic transmission through the EIM System. All other provisions, including notices specific to a Service

Agreement requiring items or information to be written or in writing remain unchanged unless otherwise agreed by Operator and Customer. Operator will use e-mail in order to facilitate certain notifications to Customers as required by this FERC Gas Tariff; Customer shall provide Operator with at least one e-mail address to which these notifications can be sent and shall be responsible for updating such information as necessary.

- 6.27.7 Operator or an affiliate of Operator has entered into a Service Agreement with the exclusive proprietor of the programming which generates the EIM System and the Web Site and of all copyrights and proprietary interests therein, except insofar as any third party (whose materials are made available in the files of the EIM System or the Web Site under license to Operator). The exclusive proprietor possesses a copyright or proprietary interest in such materials but not of the files of and the information displayed on the EIM System or the Web Site. An EIM System Subscriber or Web Site user will not by virtue of this Section 6.27 or the executed EIM System Agreement acquire any proprietary interests in the programming which generates the EIM System or the Web Site.
- 6.27.8 Operator shall not be liable to the EIM System Subscriber or Web Site user nor any other party for damages for any act, omission or circumstance related to the EIM System or the Web Site occasioned by or in consequence of any acts of God, strikes, lockouts, act of the public enemy, wars, blockades, insurrections, fires, storms, floods, washouts, power outages, arrests and restraints of rulers and people, civil disturbances, explosions, breakage or accident to machinery or computers, failure of malfunction of electronic communication or transmission, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated, or otherwise, not within the control of Operator and which by exercise of due diligence Operator is unable to prevent or overcome. To the extent the information displayed on the EIM System or the Web Site is originated solely by Operator and such information is subsequently determined inaccurate, the EIM System Subscriber or the Web Site user shall not be subject to any penalties otherwise collectable by Operator based on Customer conduct attributable to such inaccuracy during the period the inaccurate information was displayed on the EIM System or the Web Site.
- 6.27.9 Operator warrants that, without the express consent of the EIM System Subscriber or as provided for in Section 6.8 (Capacity Release) of these General Terms and Conditions, no Operator employee or agent will disclose to any third party any information regarding research performed through the use of the EIM System by the EIM System Subscriber.

6.28 DISPOSITION OF RETAINED QUANTITIES

- 6.28.1 In the event that Operator holds an auction for gas quantities retained pursuant to sub-section 8 of Rate Schedules FSS, ISS, EPS, ELS, IPS or IBS, Operator shall post such quantities on the EIM System on the fifth (5th) Business Day following the fifteenth (15th) Day of the Month. Operator shall accept bids only during the time period from 7:00 A.M. until 11:00 A.M. CT on the seventh (7th) Business Day following date of the posting. Operator shall sell the quantities to Customer submitting the highest bid, and shall notify such Customer prior to 4:00 P.M. CT of the same day on which Operator accepts the bids; provided, however, Operator reserves the right to reject all bids. When the gas is purchased at auction, Customer must provide identification of the existing storage Service Agreement with Operator under which Customer shall store the gas in Operator's Facilities.
- 6.28.2 Operator shall credit the net proceeds received from such an auction to all Customers that did not have gas sold during the subject auction ("Qualifying Customer") based on the ratio of the total charges paid by each Qualifying Customer for service to the total amount of such charges paid by all Qualifying Customers during the Month in which the auction of the gas occurred. For the purposes of this Section, the term "net proceeds" shall mean the total proceeds received from the auction less the accumulated charges pursuant to the applicable Rate Schedule for the agreement held by Customer winning the bid.

Such credits shall be calculated for each Month of the twelve (12) Month period ending July 31 of each year and will be included on the Qualifying Customers' invoice for the Month following the date of the final Commission order approving Operator's penalty disbursement report; provided, however, that Operator will calculate and include such credits on Qualifying Customers' invoices for a period shorter than twelve months in the event and to the extent that the total accumulated amount of penalty revenue collected pursuant to this Section 6.28 by Operator as of the end of any Month exceeds \$1,000,000. Operator will file a penalty disbursement report with the Commission within sixty (60) Days of July 31 or sixty (60) Days after the end of the Month in which the revenue collected exceeds \$1,000,000. Any penalty revenue credited to Qualifying Customers pursuant to this section shall include interest calculated in accordance with Section 154.501(d) of the Commission's regulations.

6.29 CASUALTY INSURANCE

As an accommodation to Customers under Rate Schedules FSS, ISS, EPS, IPS and IBS, Operator may obtain in its sole discretion and on a not unduly discriminatory basis for the benefit of such Customers insurance coverage against casualty events that result in the loss of Gas held in storage in the Operator's storage facility, provided that such insurance coverage is available to Operator on commercially reasonable terms. At Operator's request, Customer shall reimburse Operator for all costs paid by Operator for insurance coverage obtained for the benefit of such Customer pursuant to this Section 6.29. Operator's undertaking to obtain such insurance coverage shall not be deemed to shift the risk of loss of Customer's Gas in storage to Operator. Operator shall use commercially reasonable efforts from time to time to identify each Customer under Rate Schedules FSS, ISS, EPS, IPS and IBS as a named insured under any insurance policy or policies obtained pursuant to this Section 6.29. A Customer's recovery of the proceeds of any insurance payment made in respect of a casualty event involving the loss of Gas held in storage shall be limited to Customer's allocable share of the proceeds of insurance paid over to Operator, such share to be determined in accordance with the provisions of Section 6.12.2 of these General Terms and Conditions. Operator shall make insurance policy(ies) obtained from time to time pursuant to this Section 6.29 available to Customer for review upon Customer's reasonable request.

FORM OF SERVICE AGREEMENTS

FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE FSS)

Service Agreement No. _____

THIS AGREEMENT, made and entered into this _____ day of _____ by and between MONROE GAS STORAGE COMPANY, LLC (“Operator”) and _____ (“Customer”), pursuant to the following recitals and representations.

WHEREAS, Operator owns and operates a high-deliverability natural gas reservoir storage facility located in Monroe County, Mississippi (“Facility”), and is authorized to provide natural gas storage and related services in interstate commerce by way of such Facility; and

WHEREAS, Customer has requested that Operator provide certain firm natural gas storage services for Customer; and

WHEREAS, Operator has agreed to provide such firm storage services for Customer subject to the terms and conditions set forth in this Agreement.

WITNESSETH: That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered. Operator shall perform and Customer shall receive service in accordance with the provisions of the effective Rate Schedule FSS and applicable General Terms and Conditions of Operator’s FERC Gas Tariff, First Revised Volume No. 1 (“Tariff”), on file with the Federal Energy Regulatory Commission (“Commission”), as the same may be amended or superseded in accordance with the rules and regulations of the Commission, and this Agreement. Operator shall, on any Day, receive for injection into storage for Customer’s account, a quantity of Gas up to Customer’s Maximum Daily Injection Quantity (“MDIQ”) as set forth on Exhibits A and B attached hereto, and shall store quantities of gas for Customer up to, but not exceeding, Customer’s Maximum Storage Quantity (“MSQ”) as specified in Exhibit A, attached hereto, as the same may be amended from time to time by agreement between Customer and Operator, or in accordance with the rules and regulations of the Commission. On demand on any Day, Operator shall withdraw from Customer’s Storage Inventory and deliver to Customer a quantity of gas up to Customer’s Maximum Daily Withdrawal Quantity (“MDWQ”) as set forth on the schedule in Exhibits A and B attached hereto. Service hereunder shall be provided subject to the provisions of Part 284 of the Commission’s Regulations.

Customer agrees that Operator shall have the unilateral right to file with the appropriate regulatory authority to make changes effective in (i) the terms and conditions of this Service Agreement, pursuant to which service hereunder is rendered, (ii) any provision of Rate Schedule FSS or (iii) any provision of the General Terms and Conditions applicable to this Service Agreement. Operator agrees that the Customer may protest or contest the aforementioned filings,

and the Customer does not waive any rights it may have with respect to such filings.

Section 2. Receipt and Delivery Points. The point(s) at which the gas is tendered by Customer to Operator under this contract and the point(s) at which the gas is tendered by Operator to Customer under this contract shall be at the point(s) located on Operator's Facility designated on Exhibit B hereto.

Section 3. Rates. Customer shall pay Operator the charges as described in Rate Schedule FSS, the General Terms and Conditions of Operator's Tariff and as specified in Exhibit A to this Service Agreement, including Fuel Reimbursement. Customer shall reimburse Operator for Customer's pro rata portion, based on actual storage inventory of all customers, of all ad valorem taxes, property taxes, and/or other similar taxes assessed against and paid by Operator.

Section 4. Term. Service under this Agreement shall commence as of _____ and shall continue in full force and effect until _____ ("Term"). Pre-granted abandonment shall apply upon termination of this Agreement, subject to any right of first refusal Customer may have negotiated with Operator.

Section 5. Notices. Notices to Operator under this Agreement shall be addressed to it at:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX. 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Notices to Customer shall be addressed to it at: _____.

Such contact information shall be used until changed by either party by written notice.

Section 6. Prior Agreements Cancelled. This Service Agreement supersedes and cancels, as of the effective date hereof, the following agreement between the parties hereto:
_____.

Section 7. Law of Agreement. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS FOR ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY ACTION, SUIT OR PROCEEDING RELATED THERETO EXCEPT IN SUCH COURTS. THE PARTIES HERETO FURTHER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN THE COURTS OF THE STATE OF TEXAS, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES.

Section 8. Warehousemen's Lien.

(a) CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN ON ALL GAS RECEIVED BY OPERATOR FROM CUSTOMER, AND ALL PROCEEDS THEREOF, UPON SUCH RECEIPT BY OPERATOR, AS PROVIDED IN SECTION 7-209 OF THE TEXAS UNIFORM COMMERCIAL CODE WITH THE RIGHTS OF ENFORCEMENT AS PROVIDED THEREIN AND HEREIN. IN NO WAY LIMITING THE FOREGOING, CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN FOR ALL CHARGES FOR STORAGE OR TRANSPORTATION (INCLUDING DEMURRAGE AND TERMINAL CHARGES), INSURANCE, LABOR, OR CHARGES PRESENT OR FUTURE IN RELATION TO THE RECEIVED GAS, AND FOR EXPENSES NECESSARY FOR PRESERVATION OF THE RECEIVED GAS OR REASONABLY INCURRED IN THE SALE THEREOF, PURSUANT TO LAW, AND THAT SUCH LIEN SHALL EXTEND TO LIKE CHARGES AND EXPENSES IN RELATION TO ALL SUCH RECEIVED GAS.

(b) IF DEEMED NECESSARY BY A COURT OF LAW, PURSUANT TO SECTION 7-202(2) OF THE TEXAS UNIFORM COMMERCIAL CODE, CUSTOMER HEREBY AGREES THAT:

(i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY SCHEDULES RENDERED BY OPERATOR TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN OPERATOR'S TARIFF, SHALL BE DEEMED A "WAREHOUSE RECEIPT" FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED,

(ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN THE GENERAL TERMS AND CONDITIONS, EXHIBIT B OF THIS AGREEMENT, SECTION 3 OF THIS AGREEMENT (CROSS-REFERENCING THE THEN CURRENT RATE SCHEDULE FSS FOR MONROE GAS STORAGE COMPANY, LLC AND GENERAL TERMS AND CONDITIONS OF OPERATOR'S TARIFF ON FILE WITH THE FEDERAL ENERGY REGULATORY COMMISSION, AND EXHIBIT A TO THIS AGREEMENT),

(iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE SUCH GAS WAS RECEIVED,

(iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT, AND

(v) THE SIGNATURE OF OPERATOR ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

Section 9. Transfer and Assignment of All Agreements. Any company that succeeds by purchase, merger, or consolidation to the properties, substantially as an entirety, of Operator or of Customer, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Otherwise no assignment of this Agreement or any of the rights or obligations hereunder shall be made by Customer, except pursuant to the General Terms and Conditions of Operator's Tariff.

It is agreed, however, that the restrictions on assignment contained in this Article shall not in any way prevent either party to the Agreement from pledging or mortgaging its rights hereunder as security for its indebtedness.

Section 10. Miscellaneous

(a) This Agreement sets forth all understandings and agreements between the Parties

Monroe Gas Storage Company, LLC
FERC Gas Tariff

respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.

(b) If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.

(c) No presumption shall operate in favor of or against any party as a result of any responsibility or role that any party may have had in the drafting of this Agreement.

(d) This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than Operator or Customer.

(e) This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. A signature delivered by facsimile or electronically shall be deemed to be an original signature for all purposes.

CUSTOMER

MONROE GAS STORAGE COMPANY,
LLC

By _____ By _____

Title _____ Title _____

FORM OF SERVICE AGREEMENT
 (APPLICABLE TO RATE SCHEDULE FSS)

Revision No. _____
 Control No. _____

EXHIBIT A

To Service Agreement No. _____ Under Rate Schedule FSS
 Between Monroe Gas Storage Company, LLC (Operator)
 And _____ (Customer)

QUANTITIES:

Maximum Storage Quantity (MSQ) _____ Dth
 Maximum Daily Withdrawal Quantity (MDWQ) _____ Dth per Day
 Maximum Daily Injection Quantity (MDIQ) _____ Dth per Day
 Maximum Hourly Withdrawal Quantity (MHWQ) _____ Dth per Hour*
 Maximum Hourly Injection Quantity (MHIQ) _____ Dth per Hour*

The quantity of gas Customer may inject or withdraw pursuant to this Agreement at any time shall be subject to the following ratchet provisions:

Inventory Level (as a % of MSQ)	MDIQ ((Multiplier (%) times MSQ))
0 to ≤ 39.6%	.924 to 2.8%
> 39.6% but ≤ 59.4%	.891 to 2.7%
> 59.4%	.528 to 1.6%

Inventory Level (as a % of MSQ)	MDWQ ((Multiplier (%) times MSQ))
100 to ≥ 67.3%	.977 to 2.96%
< 67.3% but ≥ 35.6%	.759 to 2.3%
< 35.6% but ≥ 19.8%	.528 to 1.6%
< 19.8% but ≥ 12.2%	.33 to 1.0%
< 12.2%	.125 to 0.38%

* NOTE: The MHIQ shall equal 1/24th of the MDIQ and the MHWQ shall equal 1/24th of the MDWQ unless the Parties specifically designate otherwise on this schedule.

Monroe Gas Storage Company, LLC
FERC Gas Tariff

CHARGES:

Storage Reservation Charge	\$_____per Dth of MSQ
Storage Injection Charge	\$_____per Dth Injected
Storage Withdrawal Charge	\$_____per Dth Withdrawn
Excess Injection Charge	[Negotiable]
Excess Withdrawal Charge	[Negotiable]
Excess Capacity Charge	[Negotiable]
Fuel Reimbursement	[Negotiable Dollars] or _____ % in-kind
Title Transfer Charge	[Negotiable]
Cycles	_____

Plus any other Taxes, Regulatory Fees and Charges, as applicable, pursuant to Section 4 of Rate Schedule FSS.

CUSTOMER

MONROE GAS STORAGE COMPANY,
LLC

By _____ By _____

Title _____ Title _____

Date _____ Date _____

FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE FSS)

Revision No. _____
Control No. _____

EXHIBIT B

To Service Agreement No. _____ Under Rate Schedule
FSS Between Monroe Gas Storage Company, LLC (Operator)
And _____ (Customer)

POINTS OF RECEIPT

1. _____
2. _____
3. _____
4. _____
5. _____

For each designated point of receipt, Customer's Maximum Daily Receipt Quantity (MDRQ) shall be the Customer's MDIQ. Customer's aggregate daily nominated receipt quantity shall not exceed Customer's MDIQ. Notwithstanding the foregoing, Operator's obligation to inject on a Firm basis shall be limited to Customer's MDIQ.

POINTS OF DELIVERY

1. _____
2. _____
3. _____
4. _____
5. _____

For each designated point of delivery, Customer's Maximum Daily Delivery Quantity (MDDQ) shall be the Customer's MDWQ. Customer's aggregate daily nominated delivery quantity shall not exceed Customer's MDWQ. Notwithstanding the foregoing, Operator's obligation to withdraw on a Firm basis shall be limited to Customer's MDWQ.

GENERAL TERMS AND CONDITIONS OF TARIFF

Receipt and Delivery quantities shall be subject to applicable General Terms and Conditions of Operator's FERC Gas Tariff, First Revised Volume No. 1 ("Tariff"), on file with the Federal Energy Regulatory Commission ("Commission"), as the same may be amended or superseded in accordance with the rules and regulations of the Commission.

FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE ISS)

Service Agreement No. _____

THIS AGREEMENT, made and entered into this ____ day of _____ by and between MONROE GAS STORAGE COMPANY, LLC (“Operator”) and _____ (“Customer”), pursuant to the following recitals and representations.

WHEREAS, Operator owns and operates a high-deliverability natural gas reservoir storage facility located in Monroe County, Mississippi (“Facility”), and is authorized to provide natural gas storage and related services in interstate commerce by way of such Facility; and

WHEREAS, Customer has requested that Operator provide certain interruptible natural gas storage services for Customer; and

WHEREAS, Operator has agreed to provide such interruptible storage services for Customer subject to the terms and conditions set forth in this Agreement.

WITNESSETH; That in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

Section 1. Service to be Rendered.

(a) Operator shall perform and Customer shall receive the service in accordance with the provisions of the effective Rate Schedule ISS and applicable General Terms and Conditions of Operator’s FERC Gas Tariff, First Revised Volume No. 1 (“Tariff”), on file with the Federal Energy Regulatory Commission (“Commission”), as the same may be amended or superseded in accordance with the rules and regulations of the Commission, and this Agreement. Operator shall, store quantities of gas for Customer up to, but not exceeding, Customer’s Maximum Interruptible Storage Capacity as specified in Exhibit A, attached hereto, as the same may be amended from time to time by agreement between Customer and Operator, or in accordance with the rules and regulations of the Commission. Service hereunder shall be provided subject to the provisions of Part 284 of the Commission’s Regulations.

(b) Operator’s obligation to accept gas at the Point(s) of Receipt specified on Exhibit A attached hereto for interruptible injections into storage on any Day is limited to the Maximum Daily Injection Quantity (“MDIQ”) specified on Exhibit A attached hereto.

(c) Customer shall have the right to cause Operator on an interruptible basis to withdraw and redeliver a thermally equivalent quantity of gas, less applicable Fuel Reimbursement, to Customer at the Point(s) of Delivery as specified on Exhibit B attached hereto.

Monroe Gas Storage Company, LLC
FERC Gas Tariff

Operator's obligation to withdraw on an interruptible basis gas from storage on any Day is limited to the Maximum Daily Withdrawal Quantity ("MDWQ") specified on Exhibit A attached hereto.

(d) Customer agrees that Operator shall have the unilateral right to file with the appropriate regulatory authority to make changes effective in (i) the terms and conditions of this Service Agreement, pursuant to which service hereunder is rendered, (ii) any provision of Rate Schedule ISS or (iii) any provision of the General Terms and Conditions applicable to this Service Agreement. Operator agrees that the Customer may protest or contest the aforementioned filings, and the Customer does not waive any rights it may have with respect to such filings.

Section 2. Receipt and Delivery Points. The point(s) at which the gas is tendered by Customer to Operator under this contract and the point(s) at which the gas is tendered by Operator to Customer under this contract shall be at the point(s) located on Operator's Facility designated on Exhibit B hereto.

Section 3. Rates. Customer shall pay Operator the charges as described in Rate Schedule ISS, the General Terms and Conditions of Operator's Tariff and as specified in Exhibit A of this Service Agreement, including Fuel Reimbursement. Customer shall reimburse Operator for Customer's pro rata portion, based on actual storage inventory of all customers, of all ad valorem taxes, property taxes, and/or other similar taxes assessed against and paid by Operator.

Section 4. Term. Service under this Agreement shall commence as of _____ and shall continue in full force and effect until _____ ("Term"). Pre-granted abandonment shall apply upon termination of this Agreement, subject to any right of first refusal Customer may have negotiated with Operator.

Section 5. Notices. Notices to Operator under this Agreement, shall be addressed to it at:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Notices to Customer shall be addressed to it at:_____.

Such contact information shall be used until changed by either party by written notice.

Section 6. Prior Agreements Cancelled. This Service Agreement supersedes and cancels, as of the effective date hereof, the following agreement between the parties hereto:

Section 7. Law of Agreement. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS FOR ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY ACTION, SUIT OR PROCEEDING RELATED THERETO EXCEPT IN SUCH COURTS. THE PARTIES HERETO FURTHER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN THE COURTS OF THE STATE OF TEXAS, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES.

Section 8. Warehousemen's Lien.

(a) CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN ON ALL GAS RECEIVED BY OPERATOR FROM CUSTOMER, AND ALL PROCEEDS THEREOF, UPON SUCH RECEIPT BY OPERATOR, AS PROVIDED IN SECTION 7-209 OF THE TEXAS UNIFORM COMMERCIAL CODE WITH THE RIGHTS OF ENFORCEMENT AS PROVIDED THEREIN AND HEREIN. IN NO WAY LIMITING THE FOREGOING, CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN FOR ALL CHARGES FOR STORAGE OR TRANSPORTATION (INCLUDING DEMURRAGE AND TERMINAL CHARGES), INSURANCE, LABOR, OR CHARGES PRESENT OR FUTURE IN RELATION TO THE RECEIVED GAS, AND FOR EXPENSES NECESSARY FOR PRESERVATION OF THE RECEIVED GAS OR REASONABLY INCURRED IN THE SALE THEREOF, PURSUANT TO LAW, AND THAT SUCH LIEN SHALL EXTEND TO LIKE CHARGES AND EXPENSES IN RELATION TO ALL SUCH RECEIVED GAS

(b) IF DEEMED NECESSARY BY A COURT OF LAW, PURSUANT TO SECTION 7-202(2) OF THE TEXAS UNIFORM COMMERCIAL CODE, CUSTOMER HEREBY AGREES THAT:

(i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY SCHEDULES RENDERED BY OPERATOR TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN OPERATOR'S TARIFF, SHALL BE DEEMED A "WAREHOUSE RECEIPT" FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED,

(ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN THE GENERAL TERMS AND CONDITIONS, EXHIBIT B OF THIS AGREEMENT, SECTION 3 OF THIS AGREEMENT (CROSS-REFERENCING THE THEN CURRENT RATE SCHEDULE ISS FOR MONROE GAS STORAGE COMPANY, LLC AND GENERAL TERMS AND CONDITIONS OF OPERATOR'S TARIFF ON FILE WITH THE FEDERAL ENERGY REGULATORY COMMISSION, AND EXHIBIT A TO THIS AGREEMENT),

(iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE SUCH GAS WAS RECEIVED,

(iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT, AND

(v) THE SIGNATURE OF OPERATOR ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

Section 9. Transfer and Assignment of All Agreements. Any company that succeeds by purchase, merger, or consolidation to the properties, substantially as an entirety, of Operator or of Customer, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Otherwise no assignment of this Agreement or any of the rights or obligations hereunder shall be made by Customer, except pursuant to the General Terms and Conditions of Operator’s Tariff.

It is agreed, however, that the restrictions on assignment contained in this Article shall not in any way prevent either party to the Agreement from pledging or mortgaging its rights hereunder as security for its indebtedness.

Section 10. Miscellaneous

(a) This Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.

(b) If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.

(c) No presumption shall operate in favor of or against any party as a result of any responsibility or role that any party may have had in the drafting of this Agreement.

(d) This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than Operator or Customer.

(e) This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. A signature delivered by facsimile or electronically shall be deemed to be an original signature for all purposes.

CUSTOMER

MONROE GAS STORAGE COMPANY,
LLC

By _____ By _____

Title _____ Title _____

FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE ISS)

Revision No. _____
Control No. _____

EXHIBIT A

To Service Agreement No. _____ Under Rate Schedule ISS
Between Monroe Gas Storage Company, LLC (Operator)
And _____ (Customer)

QUANTITIES:

Maximum Interruptible Storage Quantity _____ Dth
Maximum Daily Withdrawal Quantity (MDWQ) _____ Dth per Day
Maximum Hourly Withdrawal Quantity (MHWQ) _____ Dth per Hour 1/
Maximum Daily Injection Quantity (MDIQ) _____ Dth per Day
Maximum Hourly Injection Quantity (MHIQ) _____ Dth per Hour 1/

CHARGES:

Capacity Charge \$ _____ per Dth per Day
Withdrawal Charge \$ _____ per Dth
Injection Charge \$ _____ per Dth
Fuel Reimbursement [Negotiable Dollars] or
_____ % in-kind
Title Transfer Fee [Negotiable]

Plus any other Taxes, Regulatory Fees and Charges, as applicable, pursuant to Section 5.2.3
of Rate Schedule ISS.

TERM:

Service Commencement Month _____, _____

Monroe Gas Storage Company, LLC
FERC Gas Tariff

Through

Service Termination Month _____, _____

1/ The MHIQ shall equal 1/24th of the MDIQ and the MHWQ shall equal 1/24th of the MDWQ unless the Parties specifically designate otherwise on this schedule.

CUSTOMER

MONROE GAS STORAGE
COMPANY, LLC

By _____ By _____

Title _____ Title _____

Date _____ Date _____

FORM OF SERVICE AGREEMENT
(APPLICABLE TO RATE SCHEDULE ISS)

Revision No. _____
Control No. _____

EXHIBIT B

To Service Agreement No. _____

Under Rate Schedule ISS

Between

Monroe Gas Storage Company, LLC (Operator)

And _____ (Customer)

POINTS OF RECEIPT

1. _____
2. _____
3. _____
4. _____
5. _____

POINTS OF DELIVERY

1. _____
2. _____
3. _____
4. _____
5. _____

FORM OF SERVICE AGREEMENT
ENHANCED HUB SERVICES
(APPLICABLE TO RATE SCHEDULES EPS AND ELS)

Service Agreement No. _____

Customer agrees to obtain the following services from Operator (check and initial all that apply):

- ___ Enhanced Park Service
- ___ Enhanced Loan Service
- ___ All of the above

Customer shall be deemed to have declined any options above that are not checked and initialed by an authorized representative of Customer. In the event that this Agreement is executed in multiple parts, the original executed by Customer shall control what service options have been elected.

THIS AGREEMENT, made and entered into this _____ day of _____ by and between MONROE GAS STORAGE COMPANY, LLC (“Operator”) and _____ (“Customer”), pursuant to the following recitals and representations.

WHEREAS, Operator owns and operates a high-deliverability natural gas reservoir storage facility located in Monroe County, Mississippi (“Facility”), and is authorized to provide natural gas storage and related services in interstate commerce by way of such Facility; and

WHEREAS, Customer has requested that Operator provide certain enhanced hub services for Customer; and

WHEREAS, Operator has agreed to provide such enhanced hub services for Customer subject to the terms and conditions set forth in this Agreement.

WITNESSETH; That in consideration of the mutual covenants herein contained, Operator and Customer agree as follows:

Section 1. Service to be Rendered. Operator shall perform and Customer shall receive service in accordance with the provisions of Operator’s Rate Schedule EPS and/or ELS, as applicable, and applicable General Terms and Conditions of Operator’s FERC Gas Tariff, First Revised Volume No. 1 (“Tariff”), on file with the Federal Energy Regulatory Commission (“Commission”), as the same may be amended or superseded in accordance with the rules and regulations of the Commission, and of this Agreement. Operator shall provide interruptible service for Customer and shall receive, inject, park, loan, store, withdraw and redeliver the quantities of natural gas up to Customer’s MDIQ, MDWQ, MPQ and/or MLQ, as applicable and as set forth in Exhibit A hereto. Service hereunder shall be provided subject to the provisions of Part 284 of the Commission’s Regulations.

Monroe Gas Storage Company, LLC
FERC Gas Tariff

Customer agrees that Operator shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (i) the terms and conditions of this Service Agreement, pursuant to which service hereunder is rendered, (ii) any provision of Rate Schedule EPS and ELS or (iii) any provision of the General Terms and Conditions applicable to this Service Agreement. Operator agrees that the Customer may protest or contest the aforementioned filings, and the Customer does not waive any rights it may have with respect to such filings.

Section 2. Receipt and Delivery Points. The point(s) at which the gas is to be tendered by Customer to Operator and the point(s) at which the gas is to be tendered by Operator to Customer under this contract shall be at the point(s) located on Operator's Facility designated on Exhibit B hereto (Customer's Receipt and Delivery Point(s)).

Section 3. Rates.

- (a) Customer agrees to pay Operator the charges for all natural gas service furnished to Customer hereunder as set forth on Exhibit A hereto.
- (b) Where applicable, Customer agrees to pay in kind or dollars Operator's fuel reimbursement costs as set forth on Exhibit A hereto.
- (c) Customer further agrees to pay Operator all other applicable taxes, fees and charges as set forth in the General Terms and Conditions and in Rate Schedules EPS and ELS.

Section 4. Term. This Agreement shall become effective _____ and shall remain in force and effect on a month to month basis unless terminated by either party upon at least thirty (30) days prior written notice to the other party.

Section 5. Notices. Notices to Operator under this Agreement, shall be addressed to it at:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Notices to Customer shall be addressed to it at:_____.

Such contact information shall be used until changed by either party by written notice.

Section 6. Prior Agreements Cancelled. This Service Agreement supersedes and cancels, as of the effective date hereof, the following agreement between the parties hereto:_____.

Section 7. Law of Agreement. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS FOR ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY ACTION, SUIT OR PROCEEDING RELATED THERETO EXCEPT IN SUCH COURTS. THE PARTIES HERETO FURTHER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN THE COURTS OF THE STATE OF TEXAS, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES.

Section 8. Warehousemen's Lien.

(a) CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN ON ALL GAS RECEIVED BY OPERATOR FROM CUSTOMER, AND ALL PROCEEDS THEREOF, UPON SUCH RECEIPT BY OPERATOR, AS PROVIDED IN SECTION 7-209 OF THE TEXAS UNIFORM COMMERCIAL CODE WITH THE RIGHTS OF ENFORCEMENT AS PROVIDED THEREIN AND HEREIN. IN NO WAY LIMITING THE FOREGOING, CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN FOR ALL CHARGES FOR STORAGE OR TRANSPORTATION (INCLUDING DEMURRAGE AND TERMINAL CHARGES), INSURANCE, LABOR, OR CHARGES PRESENT OR FUTURE IN RELATION TO THE RECEIVED GAS, AND FOR EXPENSES NECESSARY FOR PRESERVATION OF THE RECEIVED GAS OR REASONABLY INCURRED IN THE SALE THEREOF, PURSUANT TO LAW, AND THAT SUCH LIEN SHALL EXTEND TO LIKE CHARGES AND EXPENSES IN RELATION TO ALL SUCH RECEIVED GAS.

(b) IF DEEMED NECESSARY BY A COURT OF LAW, PURSUANT TO SECTION 7-202(2) OF THE TEXAS UNIFORM COMMERCIAL CODE, CUSTOMER HEREBY AGREES THAT:

(i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY SCHEDULES RENDERED BY OPERATOR TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN OPERATOR'S TARIFF, SHALL BE DEEMED A "WAREHOUSE RECEIPT" FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED,

(ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN THE GENERAL TERMS AND CONDITIONS, EXHIBIT B OF THIS AGREEMENT, SECTION 3 OF THIS AGREEMENT (CROSS-REFERENCING THE THEN CURRENT RATE SCHEDULES EPS AND ELS FOR MONROE GAS STORAGE COMPANY, LLC AND GENERAL TERMS AND CONDITIONS OF OPERATOR'S TARIFF ON FILE WITH THE FEDERAL ENERGY REGULATORY COMMISSION, AND EXHIBIT A TO THIS AGREEMENT),

(iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE SUCH GAS WAS RECEIVED,

(iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT, AND

(v) THE SIGNATURE OF OPERATOR ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

Section 9. Transfer and Assignment of All Agreements. Any company which shall succeed by purchase, merger or consolidation to the properties, substantially as an entirety, of Operator or of Customer, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Otherwise no assignment of the Agreement or any of the rights or obligations thereunder shall be made by Customer, except pursuant to the General Terms and Conditions of Operator's FERC Gas Tariff.

It is agreed, however, that the restrictions on assignment contained in the Section shall not in any way prevent either party to the contract from pledging or mortgaging its rights thereunder as security for its indebtedness.

Section 10. Miscellaneous

(a) This Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.

(b) If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.

(c) No presumption shall operate in favor of or against any party as a result of any responsibility or role that any party may have had in the drafting of this Agreement.

(d) This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than Operator or Customer.

(e) This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. A signature delivered by facsimile or electronically shall be deemed to be an original signature for all purposes.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed in several counterparts by their proper officers thereunto duly authorized as of the date first hereinabove written.

CUSTOMER	MONROE GAS STORAGE COMPANY, LLC
By _____	By _____
Title _____	Title _____
Date _____	Date _____

FORM OF SERVICE AGREEMENT
ENHANCED HUB SERVICES
(APPLICABLE TO RATE SCHEDULES EPS AND ELS)

EXHIBIT A

To Hub Services Agreement No. _____
Between Monroe Gas Storage Company, LLC (Operator)
And _____ (Customer)

Pursuant to the Enhanced Hub Services Agreement executed by Customer on _____, _____
hereby directs and requests to Operator to do the following.

TERM:

Begin Date: _____ End Date: _____

INJECTION/WITHDRAWAL PERIODS:

Injection: Quantity: _____ Begin Date: _____ End Date: _____
Withdrawal: Quantity: _____ Begin Date: _____ End Date: _____

LOCATIONS:

Receipt Point: Quantity: _____ Begin Date: _____ End Date: _____
Delivery Point: Quantity: _____ Begin Date: _____ End Date: _____

SERVICE and RATES:

The following charges shall apply to the identified Enhanced Hub Services Transaction:
_____ Enhanced Parking Service (EPS):

Dates: _____ Enhanced Park Charge: _____
Enhanced Park Injection Charge: _____
Enhanced Park Withdrawal Charge: _____
Excess Park Injection Charge: _____
Excess Park Withdrawal Charge: _____
Title Transfer Charge: _____

_____ Enhanced Loan Service (ELS):

Dates: _____ Enhanced Loan Charge: _____
Enhanced Loan Injection Charge: _____
Enhanced Loan Withdrawal Charge: _____ Excess
Loan Injection Charge: _____
Excess Loan Withdrawal Charge: _____

_____ Fuel Reimbursement: Title Transfer Charge _____

Monroe Gas Storage Company, LLC
FERC Gas Tariff

Injection: \$_____per Dth or_____ % in-kind
Withdrawal: \$_____per Dth or_____ % in-kind

COMMENTS:

Customer

Signature:_____Date:_____

Monroe Gas Storage Company, LLC

Signature:_____Date:_____

FORM OF SERVICE AGREEMENT
ENHANCED HUB SERVICES
(APPLICABLE TO RATE SCHEDULES EPS AND ELS)

EXHIBIT B

To Hub Services Agreement No. _____
Between
Monroe Gas Storage Company, LLC (Operator) And

(Customer)

Receipt and/or Delivery Points:

PIPELINE	METER #	COUNTY/PARISH	STATE
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

FORM OF SERVICE AGREEMENT
HUB SERVICES
(APPLICABLE TO RATE SCHEDULES IPS, ILS, IWS, IBTS AND IBS)

Service Agreement No. _____

Customer agrees to obtain the following services from Operator (check and initial all that apply):

- _____ Interruptible Parking Service
- _____ Interruptible Loan Service
- _____ Interruptible Wheeling Service
- _____ Interruptible Imbalance Trading Service
- _____ Interruptible Balancing Service
- _____ All of the above

Customer shall be deemed to have declined any options above that are not checked and initialed by an authorized representative of Customer. In the event that this Agreement is executed in multiple parts, the original executed by Customer shall control what service options have been elected.

THIS AGREEMENT, made and entered into this _____ day of _____ by and between MONROE GAS STORAGE COMPANY, LLC (“Operator”) and _____ (“Customer”), pursuant to the following recitals and representations.

WHEREAS, Operator owns and operates a high-deliverability natural gas reservoir storage facility located in Monroe County, Mississippi (“Facility”), and is authorized to provide natural gas storage and related services in interstate commerce by way of such Facility; and

WHEREAS, Customer has requested that Operator provide certain hub storage services for Customer; and

WHEREAS, Operator has agreed to provide such hub services for Customer subject to the terms and conditions set forth in this Agreement.

WITNESSETH; That in consideration of the mutual covenants herein contained, Operator and Customer agree as follows:

Section 1. Service to be Rendered. Operator shall perform and Customer shall receive the service in accordance with the provisions of the effective Rate Schedules IPS, ILS, IWS, IBTS, and/or IBS, as applicable, the applicable General Terms and Conditions of Operator’s FERC Gas Tariff, First Revised Volume No. 1 (“Tariff”) on file with the Federal Energy Regulatory Commission (“Commission”), as the same may be amended or superseded in accordance with the rules and regulation of the Commission, and this Agreement. Operator

shall, on any Day, provide interruptible service for Customer and shall receive, inject, park, loan, store, wheel, withdraw and redeliver the quantities of natural gas up to Customer's MDIQ, MDRQ, MDWQ, MPQ, MLQ, MDDQ, and/or MDTQ, as applicable and as set forth in Exhibit A hereto.

Operator's obligation to accept gas from Customer, and Customer's right to cause Operator to redeliver a thermally equivalent quantity of gas to Customer, less applicable Fuel Reimbursement, is limited to Customer's MDIQ, MDRQ, MDWQ, MPQ, MLQ, MDDQ, and/or MDTQ, as applicable, specified on Exhibit A attached hereto at the Point(s) of Receipt and Delivery specified on Exhibit B attached hereto. Service hereunder shall be provided subject to the provisions of Part 284 of the Commission's Regulations.

Customer agrees that Operator shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (i) the terms and conditions of this Service Agreement, pursuant to which service hereunder is rendered, (ii) any provision of Rate Schedules IPS, ILS, IWS, IBTS and IBS or (iii) any provision of the General Terms and Conditions applicable to this Service Agreement. Operator agrees that the Customer may protest or contest the aforementioned filings, and the Customer does not waive any rights it may have with respect to such filings.

Section 2. Receipt and Delivery Points. The point(s) at which the gas is to be tendered by Customer to Operator and the point(s) at which the gas is to be tendered by Operator to Customer under this contract shall be at the point(s) located on Operator's Facility designated on Exhibit B hereto (Customer's Receipt and Delivery Point(s)).

Section 3. Rates.

- (a) Customer agrees to pay Operator the charges for all natural gas service furnished to Customer hereunder as set forth on Exhibit A hereto.
- (b) Where applicable, Customer agrees to pay in kind or dollars Operator's fuel reimbursement costs as set forth on Exhibit A hereto.
- (c) Customer further agrees to pay Operator all other applicable taxes, fees and charges as set forth in the General Terms and Conditions and in Rate Schedules IPS, ILS, IWS, IBTS, and IBS.

Section 4. Term. This Agreement shall become effective _____ and shall remain in force and effect on a month to month basis unless terminated by either party upon at least thirty (30) days prior written notice to the other party.

Section 5. Notices. Notices to Operator under this Agreement, shall be addressed to it at:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Notices to Customer shall be addressed to it at: _____.

Such contact information shall be used until changed by either party by written notice.

Section 6. Prior Agreements Cancelled. This Service Agreement supersedes and cancels, as of the effective date hereof, the following agreement between the parties hereto: _____.

Section 7. Law of Agreement. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS FOR ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY ACTION, SUIT OR PROCEEDING RELATED THERETO EXCEPT IN SUCH COURTS. THE PARTIES HERETO FURTHER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN THE COURTS OF THE STATE OF TEXAS, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE

TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES.

Section 8. Warehousemen's Lien.

(a) CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN ON ALL GAS RECEIVED BY OPERATOR FROM CUSTOMER, AND ALL PROCEEDS THEREOF, UPON SUCH RECEIPT BY OPERATOR, AS PROVIDED IN SECTION 7-209 OF THE TEXAS UNIFORM COMMERCIAL CODE WITH THE RIGHTS OF ENFORCEMENT AS PROVIDED THEREIN AND HEREIN. IN NO WAY LIMITING THE FOREGOING, CUSTOMER HEREBY ACKNOWLEDGES THAT OPERATOR SHALL BE ENTITLED TO, AND OPERATOR HEREBY CLAIMS, A LIEN FOR ALL CHARGES FOR STORAGE OR TRANSPORTATION (INCLUDING DEMURRAGE AND TERMINAL CHARGES), INSURANCE, LABOR, OR CHARGES PRESENT OR FUTURE IN RELATION TO THE RECEIVED GAS, AND FOR EXPENSES NECESSARY FOR PRESERVATION OF THE RECEIVED GAS OR REASONABLY INCURRED IN THE SALE THEREOF, PURSUANT TO LAW, AND THAT SUCH LIEN SHALL EXTEND TO LIKE CHARGES AND EXPENSES IN RELATION TO ALL SUCH RECEIVED GAS.

(b) IF DEEMED NECESSARY BY A COURT OF LAW, PURSUANT TO SECTION 7-202(2) OF THE TEXAS UNIFORM COMMERCIAL CODE, CUSTOMER HEREBY AGREES THAT:

(i) THIS AGREEMENT, WITH ALL SCHEDULES AND EXHIBITS HERETO, AND ALL OF THE MONTHLY SCHEDULES RENDERED BY OPERATOR TO CUSTOMER PURSUANT TO THE GENERAL TERMS AND CONDITIONS CONTAINED IN OPERATOR'S TARIFF, SHALL BE DEEMED A "WAREHOUSE RECEIPT" FOR ALL PURPOSES WITH RESPECT TO ARTICLE 7 OF THE TEXAS UNIFORM COMMERCIAL CODE, REGARDLESS OF WHEN THE GAS STORED PURSUANT TO THE CONTRACT IS RECEIVED,

(ii) THE LOCATION OF THE WAREHOUSE, TO WHOM THE GAS WILL BE DELIVERED, RATE OF STORAGE AND HANDLING CHARGES, AND DESCRIPTION OF THE GOODS ARE AS SET FORTH, RESPECTIVELY, IN OF THE GENERAL TERMS AND CONDITIONS, EXHIBIT B OF THIS AGREEMENT, SECTION 3 OF THIS AGREEMENT (CROSS-REFERENCING THE THEN CURRENT RATE SCHEDULES IPS, ILS, IWS, IBTS AND IBS FOR MONROE GAS STORAGE COMPANY, LLC AND GENERAL TERMS AND CONDITIONS OF OPERATOR'S TARIFF ON FILE WITH THE FEDERAL ENERGY REGULATORY COMMISSION, AND EXHIBIT A TO THIS AGREEMENT),

(iii) THE ISSUE DATE OF THE WAREHOUSE RECEIPT WITH RESPECT TO EACH RECEIPT OF GAS SHALL BE DEEMED TO BE THE DATE

SUCH GAS WAS RECEIVED,

(iv) THE CONSECUTIVE NUMBER OF THE RECEIPT SHALL BE DEEMED BASED ON THE DATES OF RECEIPT WHEN LISTED IN CHRONOLOGICAL ORDER, BEGINNING WITH THE FIRST RECEIPT OF GAS UNDER THE TERMS OF THE CONTRACT, AND

(v) THE SIGNATURE OF OPERATOR ON THE CONTRACT SHALL BE DEEMED TO BE THE SIGNATURE OF THE WAREHOUSEMAN.

Section 9. Transfer and Assignment of All Agreements. Any company that succeeds by purchase, merger, or consolidation to the properties, substantially as an entirety, of Operator or of Customer, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Otherwise no assignment of this Agreement or any of the rights or obligations hereunder shall be made by Customer, except pursuant to the General Terms and Conditions of Operator's Tariff.

It is agreed, however, that the restrictions on assignment contained in this Article shall not in any way prevent either party to the Agreement from pledging or mortgaging its rights hereunder as security for its indebtedness.

Section 10. Miscellaneous

(a) This Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.

(b) If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.

(c) No presumption shall operate in favor of or against any party as a result of any responsibility or role that any party may have had in the drafting of this Agreement.

(d) This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than Operator or Customer.

(e) This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. A signature delivered by facsimile or electronically shall be deemed to be an original signature for all purposes.

Monroe Gas Storage Company, LLC
FERC Gas Tariff

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed in several counterparts by their proper officers thereunto duly authorized as of the date first hereinabove written.

CUSTOMER

MONROE GAS STORAGE COMPANY,
LLC

By _____ By _____

Title _____ Title _____

Date _____ Date _____

FORM OF SERVICE AGREEMENT
 HUB SERVICES
 (APPLICABLE TO RATE SCHEDULES IPS, ILS, IWS, IBTS AND IBS)

EXHIBIT A

To _____ Contract No. _____
 Between
 Monroe Gas Storage Company, LLC (Operator)
 And
 _____(Customer)

Pursuant to the _____ Agreement executed by Customer on _____,
 Customer hereby directs and requests Operator to do the following:

<u>QUANTITY</u>	<u>RECEIPT POINT(S)</u>	<u>DELIVERY POINT(S)</u>	<u>TERM</u>
__Dth (TOTAL)	__ Interconnect	_____ Interconnect	__ to __
__Dth (TOTAL)	__ Interconnect	_____ Interconnect	__ to __
__Dth (TOTAL)	__ Interconnect	_____ Interconnect	__ to __

Requested Service or Components Thereof:

Maximum Park Quantity	_____Dth
Maximum Daily Wheeling Quantity	_____Dth
Maximum Balancing Quantity	_____Dth
Maximum Loan Quantity	_____Dth
Maximum Daily Injection Quantity	_____Dth
Maximum Daily Withdrawal Quantity	_____Dth
Maximum Imbalance Trading Quantity	_____Dth

Service Commencement Month _____, _____
 Through

Service Termination Month _____, _____(for record-keeping purposes, fill
 in this date once termination notice is received pursuant to Section 4)

Operator and Customer agree that the following charges shall apply to this _____
 Transaction (as applicable):

FORM OF SERVICE AGREEMENT
HUB SERVICES
(APPLICABLE TO RATE SCHEDULES IPS, ILS, IWS, IBTS AND IBS)

EXHIBIT B

To Hub Services Agreement No. _____
Between Monroe Gas Storage Company, LLC (Operator)
And _____ (Customer)

Receipt and/or Delivery Points:

PIPELINE	METER #	COUNTY/PARISH	STATE
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

FORM OF SERVICE AGREEMENT FOR
CAPACITY RELEASE UMBRELLA
AGREEMENT UNDER RATE SCHEDULE FSS

Service Agreement No. _____

This UMBRELLA SERVICE AGREEMENT, made and entered into this ____ day of _____ by and between MONROE GAS STORAGE COMPANY, LLC (“Operator”) and _____ (“Replacement Customer”), pursuant to the following recitals and representations.

WHEREAS, Operator owns and operates a high-deliverability natural gas reservoir storage facility located in Monroe County, Mississippi (“Facility”), and is authorized to provide natural gas storage and related services in interstate commerce by way of such Facility; and

WHEREAS, Replacement Customer has requested that Operator provide certain natural gas storage services for Replacement Customer; and

WHEREAS, Operator has agreed to provide such storage services for Replacement Customer subject to the terms and conditions set forth in this Agreement.

WITNESSETH; That in consideration of the mutual covenants and promises herein contained, the Replacement Customer and Operator hereby agree as follows:

Section 1. Scope Of Agreement. Subject to the terms, conditions and limitations hereof, so long as the financial evaluation and credit appraisal requirements are met in order for Replacement Customer to be on Operator’s approved bidder list for capacity releases and execute this Umbrella Service Agreement pursuant to Section 6.8 of Operator’s General Terms and Conditions, and this Umbrella Service Agreement is effective, Replacement Customer may bid from time to time on proposed capacity releases under Rate Schedule FSS pursuant to the procedure set forth in Section 6.8 of Operator’s General Terms and Conditions. If at any time a bid submitted by Replacement Customer is accepted by Operator with respect to a given capacity release, Operator will promptly finalize by means of Operator’s EIM System the appropriate Addendum to this Umbrella Service Agreement, in the format attached hereto. The parties agree that each Addendum is an integral part of this Umbrella Service Agreement as if executed by the parties hereto and fully copied and set forth herein at length and is binding on the parties hereto. Upon finalization of such Addendum, Replacement Customer and Operator agree that Replacement Customer shall be considered for all purposes as a Customer with respect to the released service.

Upon the finalization of an Addendum, subject to the terms, conditions and limitations hereof and of Operator’s Rate Schedule FSS, Operator agrees to provide the released service for Replacement Customer under the applicable rate schedule, provided however, the Replacement Customer qualified under the financial evaluation and credit appraisal requirements set forth in Section 6.2 of Operator’s General Terms and Conditions at the time it submitted the bid Operator

accepted with respect to such release.

Replacement Customer hereby agrees to promptly provide any information necessary for Operator to reevaluate Operator's credit appraisal as contemplated by Section 6.2 of Operator's General Terms and Conditions and to advise Operator of any material change in the information previously provided by the Replacement Customer to Operator.

Section 2. Term. This Agreement shall become effective on _____ and shall remain in force and effect until _____ and thereafter, unless this Umbrella Service Agreement is terminated as hereinafter provided. If Operator determines at any time that Replacement Customer fails to meet the financial standards or credit criteria of Section 6.2 of the General Terms and Conditions, Operator may terminate this Agreement and all Addenda attached hereto prospectively in accordance with Section 6.2 the General Terms and Conditions.

Section 3. Rate Schedules. This Umbrella Service Agreement does not have separate terms and conditions for particular services, but only provides a means for a Replacement Customer to utilize a service subject to the applicable provisions of the relevant Service Agreement and the terms and conditions for Rate Schedule FSS, by finalization of a copy of an Addendum attached hereto and fully incorporated herein as a part of this Umbrella Service Agreement.

Replacement Customer agrees that Operator shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the terms and conditions of this Umbrella Service Agreement, pursuant to which service hereunder is rendered, (b) any provision of Rate Schedule FSS or (c) any provision of the General Terms and Conditions applicable to this Umbrella Service Agreement. Operator agrees that the Replacement Customer may protest or contest the aforementioned filings, and the Replacement Customer does not waive any rights it may have with respect to such filings.

Section 4. Notices. Except as herein otherwise provided or as provided in the General Terms and Conditions of this FERC Gas Tariff, any notice, request, demand, Schedule, bill or payment provided for in this Umbrella Service Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be considered as duly delivered when mailed by registered certified, or regular mail to the post office address of the parties hereto, as the case may be, as follows:

Operator:

Cardinal Gas Storage Partners LLC
Monroe Gas Storage Company, LLC
Three Riverway, Suite 1250
Houston, TX 77056
Attn: Contract Administrator
Telephone: 713-350-2500
Fax: 713-350-2550
Email: CardinalContractAdmin@cardinalgs.com

Customer: _____

Such contact information shall be used until changed by either party by written notice.

Section 5. Law of Agreement. THE INTERPRETATION AND PERFORMANCE OF THIS AGREEMENT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO DOCTRINES GOVERNING CHOICE OF LAW. THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF TEXAS FOR ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREE NOT TO COMMENCE ANY ACTION, SUIT OR PROCEEDING RELATED THERETO EXCEPT IN SUCH COURTS. THE PARTIES HERETO FURTHER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN THE COURTS OF THE STATE OF TEXAS, AND HEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR EXEMPLARY DAMAGES.

Section 6. Relationship Between Replacement Customer and Releasing Customer. The parties recognize that, pursuant to Commission orders, Releasing Customer may require that the Replacement Customer agree that a breach of this Agreement, including a failure to pay, or to pay timely, by Replacement Customer under this Agreement, constitutes a breach of contract as between Replacement Customer and Releasing Customer. The existence of such an agreement will be indicated on the appropriate Addendum to this Capacity Release Umbrella Agreement. If Replacement Customer fails to pay Operator, fails to timely pay Operator, or otherwise breaches this Agreement with Operator: (a) both Replacement Customer and Releasing Customer (except to the extent otherwise provided in Section 6.8 of the General Terms and Conditions and except with respect to penalties attributable to Replacement Customer's conduct) shall be liable to Operator for such failure to pay or breach (it being understood that nothing in this Section 6 relieves Releasing Customer from responsibility to pay Operator in accordance with its service agreements with Operator) and (b) if, as a result of such breach by Replacement Customer, Releasing Customer is accordingly required to pay Operator or otherwise perform, Releasing Customer may have a cause of action for breach against Replacement Customer.

Section 7. Transfer and Assignment of All Agreements. Any company that succeeds by purchase, merger, or consolidation to the properties, substantially as an entirety, of Operator or of Customer, as the case may be, shall be entitled to the rights and shall be subject to the obligations of its predecessor in title under this Agreement. Otherwise no assignment of this Agreement or any of the rights or obligations hereunder shall be made by Customer, except pursuant to the General Terms and Conditions of Operator's Tariff.

It is agreed, however, that the restrictions on assignment contained in this Article shall not in any way prevent either party to the Agreement from pledging or mortgaging its rights hereunder as security for its indebtedness.

Section 8. Miscellaneous

- a. This Agreement sets forth all understandings and agreements between the Parties respecting the subject matter hereof, and all prior agreements, understandings and representations, whether written or oral, respecting the subject matter hereof are superseded by this Agreement. No modification of the terms and provisions of this Agreement shall be made except by the execution by both Parties of a written agreement.
- b. If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment of the provisions of this Agreement with a view to effecting its purpose.
- c. No presumption shall operate in favor of or against any party as a result of any responsibility or role that any party may have had in the drafting of this Agreement.
- d. This Agreement shall not create any rights in third parties, and no provisions hereof shall be construed as creating any obligations for the benefit of, or rights in favor of, any person or entity other than Operator or Customer.
- e. This Agreement may be executed in counterparts, and all such executed counterparts shall form part of this Agreement. A signature delivered by facsimile or electronically shall be deemed to be an original signature for all purposes.

Monroe Gas Storage Company, LLC
FERC Gas Tariff

IN WITNESS WHEREOF, the parties hereto have caused this Umbrella Service Agreement to be duly signed by their respective Presidents, Vice Presidents or other duly authorized agents and their respective corporate seals to be hereto affixed and attested by their representative Secretaries or Assistant Secretaries, as of the date first above written.

CUSTOMER

By _____

Title _____

Attest _____

MONROE GAS STORAGE COMPANY, LLC

By _____

Title _____

Attest _____

FORM OF SERVICE AGREEMENT FOR
CAPACITY RELEASE UMBRELLA AGREEMENT
UNDER RATE SCHEDULE FSS

Deal No.: _____
Operator Addendum Contract No.: _____
Capacity Release Umbrella Agreement No.: _____

Addendum No. _____

Replacement Customer: _____

Releasing Customer: _____

Releasing Customer's Contract No.: _____

Begin Date of Release: _____

End Date of Release: _____

Rates: [Volumetric or Reservation]

Reservation Charge \$ _____

Volumetric Charge \$ _____

Surcharges:

Description	Rate
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

FORM OF SERVICE AGREEMENT FOR
CAPACITY RELEASE UMBRELLA AGREEMENT
UNDER RATE SCHEDULE FSS

Addendum No. _____

Volume Commitment (Dth/Billing Period)

Maximum Storage Quantity (MSQ): _____(Dth)

Maximum Daily Injection Quantity (MDIQ): _____(Dth)

Maximum Daily Withdrawal Quantity (MDWQ): _____(Dth)

Specific Firm Point(s) of Receipt:

M&R#	MDRQ	Effective From	Effective To
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Specific Firm Point(s) of Delivery:

M&R#	MDRQ	Effective From	Effective To
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

FORM OF SERVICE AGREEMENT FOR CAPACITY
RELEASE UMBRELLA AGREEMENT UNDER RATE
SCHEDULE FSS

Addendum No. _____

Is this capacity subject to right of recall? Yes ___ No ___
Recall Conditions (if applicable):

Are there any restrictions on released capacity? Yes ___ No ___

Restrictions (if applicable):

Was Operator's default bid evaluation criteria used? Yes ___ No ___

Evaluation Criteria (if applicable):

Were contingent bids accepted? Yes ___ No ___

Contingency comments (if applicable):

Other Terms and Conditions of Release: [e.g., restrictions on release, third-party agent and terms of third-party agency relationship, and agreements between Replacement Customer and Releasing Customer]

This Addendum, entered into, pursuant to Operator's capacity release program and to the executed Capacity Release Umbrella Agreement between Operator and the Replacement Customer, is theretofore made a part of and subject to the aforementioned Capacity Release Umbrella Agreement.