



February 27, 2015

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**Tuscarora Gas Transmission Company**  
700 Louisiana Street, Suite 700  
Houston, TX 77002-2700

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Director, Rates & Tariffs

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Re: Tuscarora Gas Transmission Company  
Change in FERC Gas Tariff  
Docket No. RP15-\_\_\_\_\_

Dear Ms. Bose:

Pursuant to Section 4 of the Natural Gas Act and Part 154 of the Federal Energy Regulatory Commission's ("FERC or "Commission") regulations,<sup>1</sup> Tuscarora Gas Transmission Company ("Tuscarora") respectfully submits for filing the revised tariff sections<sup>2</sup> included as Appendix A to be part of its FERC Gas Tariff, Second Revised Volume No. 1 ("Tariff"), as more fully described below. Tuscarora respectfully requests that the Commission accept the tariff sections included herein to become effective April 1, 2015.

### **Correspondence**

The names, titles, and mailing addresses of the persons to whom correspondence and communications concerning this filing should be directed are as follows:

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<sup>1</sup> 18 C.F.R. Part 154 (2015).

<sup>2</sup> Specifically, Tuscarora's Tariff cover sheet ("Cover Sheet"), Table of Contents, Part 5.1.3.4 – Rate Schedule FT, Shipper Reimbursement ("Section 5.1.3.4"), Part 5.2.3.4 – Rate Schedule LFS, Shipper Reimbursement ("Section 5.2.3.4"); Part 5.3.3 – Rates Schedule IT, Rates ("Section 5.3.3"); Part 6.3.1 – GT&C, Qualifications for Service ("Section 6.3.1"); Part 6.11.1 – GT&C, Measuring Station ("Section 6.11.1"); Part 6.17 – GT&C, Other Operating Conditions ("Section 6.17"); Part 6.27.5.2 – GT&C, Avoidance of Right of First Refusal ("Section 6.27.5.2"); Part 6.37 – Installation of Facilities ("Section 6.37"); Part 7.1 – Service Agmts, Rate Schedule FT – Form of Service Agreement ("Section 7.1"); Part 7.2 – Service Agmts, Rate Schedule LFS – Form of Service Agreement ("Section 7.2"); Part 7.3 – Service Agmts, Rate Schedule IT – Form of Service Agreement ("Section 7.3"); Part 7.4 – Service Agmts, Rate Schedule PL – Form of Service Agreement ("Section 7.4").

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### **Statement of the Nature, Reasons, and Basis for Filing**

#### *Installation of Facilities*

As proposed herein, Tuscarora's installation of facilities provisions, currently included in each of its transportation rate schedules,<sup>3</sup> are being consolidated into newly added "Section 6.37 – Installation of Facilities" and revised to remove outdated language, to add a new contribution in aid of construction ("CIAC") provision, and to incorporate the Commission's interconnection policy, as more fully described below.

Tuscarora is proposing to update its facilities provisions by removing outdated payment obligations provisions. Specifically, Tuscarora is proposing to remove the requirement that in the event Tuscarora incurs the cost of installing additional facilities on behalf of a shipper, shipper shall pay the prorated cost-of-service attributable to any such additional facilities until a different procedure is specified by the Commission. As revised, Section 6.37.1 states that Tuscarora may install facilities at its own expense or require shipper to pay, either on a lump sum or incremental fee basis, all or a portion of the costs incurred for installing and/or operating such facilities, including the tax-on-tax effect. Such changes are consistent with other pipelines' tariff provisions previously approved by the Commission.<sup>4</sup> Further, as revised, shipper assumes full responsibility and liability and agrees to hold Tuscarora harmless from any liability of any nature arising from the installation of such facilities.

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<sup>3</sup> Specifically, Section 5.1.3.4, Section 5.2.3.4, and Section 5.3.3.

<sup>4</sup> See *Gas Transmission Northwest, LLC*, 148 FERC ¶ 61,216 (2014) ("*GTN Order*"). See also *Viking Gas Transmission Company*, Part 18.6, GT&C – New Facilities Policy; *Trailblazer Pipeline Company LLC*, Part 6.1, GT&C – New Facilities Charge; and *Tennessee Gas Pipeline Company, L.L.C.*, First Revised Sheet No. 366, Construction of Receipt and Delivery Facilities.

Additionally, Tuscarora is proposing to add a provision in Section 6.37.2 to accommodate CIAC for shipper-owned facilities. Consistent with CIAC provisions approved by the Commission in other proceedings,<sup>5</sup> the proposed language reflects that Tuscarora may, on a nondiscriminatory basis, pay for all or part of the cost of construction of a shipper's facilities if Tuscarora determines that it will be economically neutral to, or will economically benefit from, the CIAC. The flexibility to offer CIAC for shipper-owned facilities will provide Tuscarora with greater opportunities to maintain existing load and attract both new supply sources and new markets. Furthermore, Tuscarora will post any CIAC agreement on its Internet website along with related terms and conditions,<sup>6</sup> and the accounting treatment for CIACs will be consistent with that previously approved by the Commission.<sup>7</sup>

Further, Section 6.37.3 is broadened to incorporate the Commission's current interconnection policy, as set forth in the *Panhandle Order*, which lists five conditions that must be satisfied in order for a pipeline to grant and interconnect.<sup>8</sup> Additionally, to ensure that Tuscarora is able to effectively operate its system after an interconnection has been installed, the proposed revisions give Tuscarora the right to require installation of any equipment necessary to accurately monitor the quality of gas received into its system at the interconnection, maintain the operational reliability of its system, and enable accurate custody transfer management.

Consistent with Section 6.37.3 above, Tuscarora is additionally proposing to revise Section 6.11.1 (GT&C – Measuring Equipment) to ensure that the construction and installation of measuring equipment is in accordance with Tuscarora's technical specifications.

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<sup>5</sup> *GTN Order; Northern Border Pipeline Company*, 101 FERC ¶ 61,092 (2002); *Texas Gas Transmission, LLC*, 128 FERC ¶ 61,104; and *ANR Pipeline Company*, 138 FERC ¶ 61,247 (“*ANR Order*”), order on reh'g 140 FERC ¶ 61,181 (2012) (“*ANR Order on Rehearing*”).

<sup>6</sup> *ANR Order* at P 16.

<sup>7</sup> *ANR Order on Rehearing* at PP 8-10; allowed ANR to record CIAC payments in Account No. 303, a subaccount of Account No. 101, Gas Plant in Service, and required ANR to amortize the CIAC payments over the term of the related transportation agreement by debiting Account No. 404.3, Amortization of Other Limited-Term Gas Plant, and crediting Account No. 111, Accumulated Provision for Amortization and Depletion of Gas Utility Plant.

<sup>8</sup> *Panhandle Eastern Pipe Line Company*, 91 FERC ¶ 61,037 (2000) (“*Panhandle Order*”).

### *Avoidance of Right Of First Refusal (“ROFR”)*

Currently, Section 6.27.5.2 provides that the ROFR process can be avoided if a ROFR shipper and Tuscarora mutually agree to extend the term of such shipper’s Service Agreement at any time prior to the shipper’s submission of notice to exercise ROFR. To provide greater flexibility, the time period for such negotiations between Tuscarora and shipper has been extended to include the time prior to Tuscarora commencing its ROFR open season bidding process,<sup>9</sup> consistent similar provisions recently approved by the Commission.<sup>10</sup>

### *Miscellaneous Revisions*

In order to reflect a change in the physical location of Tuscarora’s business office, Tuscarora is proposing in the instant filing to update references to Tuscarora’s street/courier address within the Cover Sheet and Sections 6.3.1, 6.17, 7.1, 7.1, 7.3, and 7.4.

Finally, Tuscarora is revising the Table of Contents to reflect the addition of Section 6.37.

### **Effective Date**

Tuscarora requests that the Commission accept the revised tariff sections included as Appendix A to become effective April 1, 2015.

### **Other Filings That May Affect This Proceeding**

There are no other filings before the Commission that may significantly affect the changes proposed herein.

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<sup>9</sup> GTN’s Tariff requires an existing shipper to provide its ROFR election notice at least twelve months prior to the expiration of the term of the Service Agreement (Part 6.27.5.3 – GT&C, Existing Shipper’s Notice of Election to Exercise its ROFR) while the open season is required to be held no later than three months prior to termination (Part 6.27.5.5 – GT&C, Open Season).

<sup>10</sup> *GTN Order*.

### **Contents of Filing**

In accordance with Section 154.7 of the Commission's regulations and Order No. 714, Tuscarora is submitting the following XML filing package, which includes:

1. This transmittal letter;
2. Clean tariff sections (Appendix A); and
3. Marked tariff sections (Appendix B).

### **Certificate of Service**

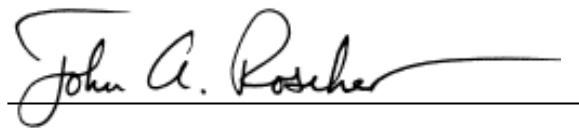
As required by Sections 154.7 and 154.208 of the Commission's regulations, copies of this filing are being served upon all of Tuscarora's existing customers and interested state regulatory agencies. A copy of this letter, together with the enclosed tariff sections and other attachments, is available during regular business hours for public inspection at Tuscarora's principal place of business.

Pursuant to Section 385.2005 and Section 385.2011, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of his knowledge and belief. Additionally, the undersigned possesses full power and authority to sign such filing.

Any questions regarding this filing may be directed to Joan Collins at (832) 320-5651.

Respectfully submitted,

TUSCARORA GAS TRANSMISSION COMPANY

A handwritten signature in black ink that reads "John A. Roscher". The signature is written in a cursive style and is positioned above a solid horizontal line.

John A. Roscher  
Director, Rates and Tariffs

Enclosures

# Appendix A

## Tuscarora Gas Transmission Company *FERC Gas Tariff, Second Revised Volume No. 1*

### Clean Tariff

<u>Tariff</u>	<u>Sections</u>	<u>Version</u>
	Cover Sheet	
1–	Table of Contents	v.3.0.0
5.1.3.4 –	Rate Schedule FT, Reserved for Future Use	v.2.0.0
5.2.3.4 –	Rate Schedule LFS, Reserved for Future Use	v.2.0.0
5.3.3 –	Rate Schedule IT, Rates	v.2.0.0
6.3.1–	GT&C, Qualifications for Service	v.2.0.0
6.11.1 –	GT&C, Measuring Station	v.2.0.0
6.17 –	GT&C, Other Operating Conditions	v.2.0.0
6.27.5.2–	GT&C, Avoidance of Right of First Refusal	v.2.0.0
6.37 –	GT&C, Installation of Facilities	v.0.0.0
7.1 –	Service Agmts, Rate Schedule FT – Form of Service Agreement	v.2.0.0
7.2 –	Service Agmts, Rate Schedule LFS – Form of Service Agreement	v.2.0.0
7.3 –	Service Agmts, Rate Schedule IT – Form of Service Agreement	v.2.0.0
7.4 –	Service Agmts, Rate Schedule PL – Form of Service Agreement	v.2.0.0

FERC GAS TARIFF

SECOND REVISED VOLUME NO. 1

OF

TUSCARORA GAS TRANSMISSION COMPANY

FILED WITH

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning This Tariff  
Should Be Addressed To:

Joan Collins  
Manager, Tariffs and Compliance  
Tuscarora Gas Transmission Company  
Mailing Address: P.O. Box 2446  
Houston, TX 77252-2446  
Courier Address: 700 Louisiana Street, Suite 700  
Houston, TX 77002-2700  
Phone: (832) 320-5651  
Fax: (832) 320-6651

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5.1.3.4 RESERVED FOR FUTURE USE

5.2.3.4 RESERVED FOR FUTURE USE

### 5.3.3 RATES

1. **Unit Rates.** The applicable maximum and minimum unit rates are set forth in the currently effective Section 4.3 or Section 4.4 (as applicable) of this FERC Gas Tariff and are hereby incorporated herein. The applicable unit rates to be charged on any day by Transporter for gas scheduled for Shipper shall not be in excess of the maximum unit rate nor less than the minimum unit rate. The same minimum and maximum rates are applicable whether the service constitutes a Backhaul or otherwise.
2. **Negotiated Rates.** Notwithstanding any provision of Transporter's Tariff to the contrary, Transporter and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of Transporter's Tariff.

Such Negotiated Rate shall be set forth in Exhibit B to the Interruptible Transportation Service Agreement and Transporter shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the maximum applicable tariff rate shall be considered to be paying the maximum applicable tariff rate for purposes of scheduling, curtailment, and interruption, and calculating the economic value of a request for available or unsubscribed capacity.

3. **Monthly Bill.** For Shippers executing a Transportation Service Agreement pursuant to this IT Rate Schedule and beginning with the Commencement Date and for each month thereafter, Transporter shall charge and Shipper shall pay Transporter the sum of the following amounts:
  - (a) **Delivery Charge:** The applicable delivery rate multiplied by the quantity of gas scheduled in the month (excluding Authorized Overrun Quantities) at the Delivery Point(s); plus
  - (b) **Authorized Overrun Charge:** The applicable authorized overrun charge per MMBtu multiplied by the Authorized Overrun Quantity scheduled for Shipper for the month under this rate schedule; plus
  - (c) **Imbalance Charges:** The applicable imbalance charges assessed pursuant to Section 6.6 of the General Terms and Conditions of this Tariff; plus
  - (d) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 6.6 of the General Terms and Conditions of this Tariff; plus

- (e) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 6.6 of the General Terms and Conditions of this Tariff; plus
- (f) Other Applicable Charges: The applicable surcharges provided for in Sections 6.12 and 6.13 of the General Terms and Conditions of this Tariff; less
- (g) Penalty Revenue Credit: The revenue credit provided for in Section 6.29.2 of the General Terms and Conditions of this Tariff.

4. RESERVED FOR FUTURE USE

- 6.3.1 Qualifications for Service. All Shippers requesting transportation service must provide the information required by this Section 6.3 of the General Terms and Conditions. No service shall be rendered until the availability provisions of the applicable rate schedule have been satisfied.

Requests for service should be directed to the following address:

Tuscarora Gas Transmission Company  
Marketing  
700 Louisiana Street, Suite 700  
Houston, Texas 77002-2700  
Phone: 503/833-4300, Option 2

6.11.1 Measuring Station. Transporter will install, maintain and operate at or near the Delivery Point(s), a measuring station properly equipped with meters, and other necessary measuring equipment by which the volume of natural gas made available to or on behalf of Shipper shall be measured and determined in accordance with Section 6.9 of these General Terms and Conditions.

Installation: Unless Transporter and Shippers agree otherwise, all gas volume measuring equipment, devices and materials at the point(s) of receipt and/or delivery shall be furnished and installed by Transporter at Shipper's expense including the tax-on-tax effect. The construction and installation of measuring equipment, devices and materials shall be in accordance with Transporter's technical specifications. Unless Transporter and Shipper agree otherwise, all such equipment, devices and materials shall be owned, maintained and operated by Transporter.

- (a) Orifice Meters. Orifice meters, if used, shall be installed, and gas quantities computed, in accordance with American National Standard Bulletin ANSI/API 2530, Orifice Metering Of Natural Gas, dated June 1979, and any modification and amendments thereof, and shall include the use of flange connections and straightening vanes.
- (b) Diaphragm or Turbine Meters. Diaphragm or turbine meters, if used, shall be installed, and gas quantities computed, in accordance with generally accepted industry practices.
- (c) Electronic Flow Computers. Electronic or other types of flow computers, if used, shall be installed, and quantities calculated in accordance with generally accepted industry practices.
- (d) New Measurement Techniques. If at any time a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted upon receipt of Commission authorization or in accordance with generally accepted industry practices.

## 6.17 OTHER OPERATING CONDITIONS

1. **Minimum Quantity Meterable.** In no event shall Transporter be required to accept a request for transportation service for a quantity of gas which Transporter cannot meter with reasonable accuracy at the Receipt or Delivery Points for which Shipper is requesting service. If Shipper's request for transportation service involves a quantity which Transporter cannot meter with reasonable accuracy at the requested Receipt or Delivery Points, Transporter will promptly inform Shipper and advise Shipper of the minimum quantity that can be metered with reasonable accuracy at the proposed Receipt and Delivery Points.
2. **Coordination With Other Parties.** Shipper shall make all necessary arrangements with other parties at or upstream of the Receipt Point(s) where natural gas is delivered to Transporter by Shipper or for Shipper's account, which arrangements shall be compatible with Transporter's system operations and coordinated with Transporter's dispatchers. To the extent Shipper's upstream transporter refuses to deliver scheduled quantities on behalf of Shipper, or Shipper's downstream transporter refuses to receive scheduled quantities on behalf of Shipper, Transporter shall not be obligated to transport such quantities for Shipper's account.
3. **Facilities to be in Place Prior to Request.** Transporter shall not be required to render transportation service on behalf of Shipper in the event that all facilities necessary to render such service do not exist at the time such service is requested.
4. **Shipper to Comply With All Terms.** Transporter shall not be required to render transportation service on behalf of any Shipper which on any day fails to comply with any or all of the terms of the Transportation Service Agreement(s) between Transporter and Shipper.
5. **Complaint Resolution.** Transporter will attempt to resolve any complaints by Shippers or potential Shippers without the necessity of a written complaint. To this end, Shippers are encouraged to attempt to resolve disputes informally with their designated service representatives.

A formal complaint concerning any transportation services offered by Transporter must specifically state that it is a complaint under the Marketing affiliate rules and should be directed in writing to:

Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700  
Houston, Texas 77002-2700  
Attention: Director, Commercial Services



Transporter will respond initially within 48 hours and in writing within 30 days to complaints by shippers and potential shippers.

6.27.5.2 Avoidance of Right of First Refusal. Shipper can extend the term of its Service Agreement at any time and not be subject to the Right of First Refusal process outlined above if prior to the open season bidding process described in Section 6.27.5.5, Shipper and Transporter mutually agree to amend the terms of the existing Service Agreement which shall include an extension of the term beyond the termination date of the existing Service Agreement. Tuscarora will mutually agree to a contract extension term under this subsection on a not unduly discriminatory basis.

## 6.37 INSTALLATION OF FACILITIES

1. Transporter shall not be obligated to install additional facilities, other than those specified in Section 6.11.1 of the General Terms and Conditions herein, that are required to provide or perform any service under this FERC Gas Tariff, Second Revised Volume No. 1; provided, however, Transporter may install at its expense or Shipper may pay, either on a lump sum or incremental fee basis, all or a portion of Transporter's costs and expenses incurred for installing and/or operating additional facilities, including the tax-on-tax effect, on a nondiscriminatory basis and under terms that are mutually agreeable. Shipper assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Shipper or Shipper's agent.
2. Contributions in Aid of Construction - Transporter may agree to pay or contribute to the cost of building facilities for current or potential Shippers when Transporter determines that doing so will result in an economic benefit or when Transporter determines that the project is economically neutral to Transporter. Transporter may conclude that a portion of the facilities are economically beneficial. Transporter will evaluate each prospective project hereunder based upon the incremental cost-of-service and incremental revenues which Transporter estimates will be generated as a result of the project. When estimating incremental revenues to be generated, Transporter will base those revenues upon transportation rates it expects to be able to charge, net of pass-through surcharges, and the incremental billing determinants that Transporter anticipates.
3. Pipeline Interconnections – Transporter will have the right, regardless of which party designs and constructs the facilities, to require installation of any equipment necessary to: i) accurately monitor the quality of Gas received into its Mainline Facilities and Extension Facilities to ensure that such Gas meets the specifications of its Tariff; ii) maintain the reliability and operational integrity of its Mainline Facilities and Extension Facilities; and iii) enable accurate custody transfer management. In addition, any interconnection will be subject to the following conditions:
  - a) The party seeking the interconnection must be willing to bear the costs of the construction if Transporter performs the task. In the alternative, the party seeking the interconnection could construct the facilities itself in compliance with Transporter's technical requirements;
  - b) The proposed interconnection must not adversely affect Transporter's operations;
  - c) The proposed interconnection and any resulting transportation must not diminish service to Transporter's existing customers;
  - d) The proposed interconnection must not cause Transporter to be in violation of any applicable environmental or safety laws or regulations with respect to the

facilities required to establish an interconnection with Transporter's existing facilities;

- e) The proposed interconnection must not cause Transporter to be in violation of its right-of-way agreements or any other contractual obligations with respect to the interconnection facilities.

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO FT RATE SCHEDULE)

This Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to receive from or for the account of Shipper for transportation on a firm basis quantities of natural gas tendered by Shipper on any day at the Receipt Points; provided, however, Shipper shall not tender without the prior consent of Transporter, at any Receipt Point on any day a quantity of natural gas (taking into account the Measurement Variance Gas Quantity) in excess of the applicable Maximum Input Quantity for such Receipt Point and provided further that Shipper shall not tender at all Receipt Points on any day a cumulative quantity of natural gas (taking into account the Measurement Variance Gas Quantity), without the prior consent of Transporter, in excess of the following quantities of natural gas:

Maximum Transportation Quantity \_\_\_\_\_ MMBtu

2. Transporter agrees to transport and deliver to or for the account of Shipper at the Delivery Points and Shipper agrees to accept or cause acceptance of delivery of the quantity received by Transporter on any day from Shipper pursuant to Article I(1.) (subject to adjustment to reflect the Measurement Variance Gas Quantity); provided, however, Transporter shall not be obligated to deliver at any Delivery Point on any day a quantity of natural gas in excess of the applicable Maximum Equivalent Quantity, nor a quantity of gas at all Delivery Points in excess of the Maximum Transportation Quantity. Transporter's obligations hereunder shall be subject to the installation of all necessary facilities.

ARTICLE II  
TERM OF AGREEMENT

Service under this Agreement shall begin on \_\_\_\_\_, and shall continue until \_\_\_\_\_. Shipper's Right of First Refusal shall be in accordance with Section 6.27 of Transporter's General Terms and Conditions.

Thereafter, this agreement shall continue in full force and effect for an additional term of \_\_\_\_\_ unless \_\_\_\_\_ gives at least \_\_\_\_\_ prior written notice of its desire to terminate this agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and Transporter (bilateral evergreen).

### ARTICLE III RATE SCHEDULE

1. Beginning with the Commencement Date, Shipper shall, in accordance with the FT Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder and for the availability of such service under Transporter's FT Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate contract, the rates to be charged Shipper for transportation hereunder shall not be more than the maximum rates under the FT Rate Schedule, nor less than the minimum rates under the FT Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the FT Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedules and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.
3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's FT Rate Schedule, (b) Transporter's FT Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the FT Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

### ARTICLE IV RECEIPT POINTS

Natural gas to be received by Transporter for the account of Shipper hereunder shall be received at the Primary Receipt Point(s) set forth in Exhibit A of the Transportation Service Agreement,

with the Maximum Input Quantity and the receipt pressure obligation indicated for each such Primary Receipt Point. The Maximum Input Quantities listed in Exhibit A are subject to adjustment to take account of the Measurement Variance Gas Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff. Natural gas to be received by Transporter for the account of Shipper hereunder may also be received at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE V DELIVERY POINTS

Natural gas to be delivered by Transporter for the account of Shipper hereunder shall be delivered at the Primary Delivery Point(s) set forth in Exhibit A of the Transportation Service Agreement, with the Maximum Equivalent Quantity and the delivery pressure obligation indicated for each such Primary Delivery Point. Natural gas to be delivered by Transporter for the account of Shipper hereunder may also be delivered at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE VI ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be addressed as follows:

- (a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700  
Houston, Texas 77002-2700  
Attention: Commercial Services
- (b) Shipper:

or such other address as either party shall designate by formal written notice.

#### ARTICLE VII INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VIII  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto:

ARTICLE IX  
MODIFICATION

No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE X  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_



FORM OF SERVICE AGREEMENT  
(APPLICABLE TO LFS RATE SCHEDULE)

This Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to receive from or for the account of Shipper for transportation on a limited basis quantities of natural gas tendered by Shipper on any day at the Receipt Points; provided, however, Shipper shall not tender without the prior consent of Transporter, at any Receipt Point on any day a quantity of natural gas (taking into account the Measurement Variance Gas Quantity) in excess of the applicable Maximum Input Quantity for such Receipt Point and provided further that Shipper shall not tender at all Receipt Points on any day a cumulative quantity of natural gas (taking into account the Measurement Variance Gas Quantity), without the prior consent of Transporter, in excess of the following quantities of natural gas:

Maximum Transportation Quantity \_\_\_\_\_ MMBtu

2. Transporter agrees to transport and deliver to or for the account of Shipper at the Delivery Points and Shipper agrees to accept or cause acceptance of delivery of the quantity received by Transporter on any day from Shipper pursuant to Article I(1.) (subject to adjustment to reflect the Measurement Variance Gas Quantity); provided, however, Transporter shall not be obligated to deliver at any Delivery Point on any day a quantity of natural gas in excess of the applicable Maximum Equivalent Quantity, nor a quantity of gas at all Delivery Points in excess of the Maximum Transportation Quantity. Transporter's obligations hereunder shall be subject to the installation of all necessary facilities.

ARTICLE II  
TERM OF AGREEMENT AND NUMBER OF LIMITED DAYS

1. Service under this Agreement shall begin on \_\_\_\_\_, and shall continue until \_\_\_\_\_.

2. Shipper and Transporter agree that the minimum number of Limited Days will be \_\_\_\_\_ and the maximum number of Limited Days will be \_\_\_\_\_.
3. Shipper \_\_\_\_\_ agrees \_\_\_\_\_ does not agree to accept "partial volume day" limiting at the discretion of Transporter.

ARTICLE III  
RATE SCHEDULE

1. Beginning with the Commencement Date, Shipper shall, in accordance with the LFS Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder and for the availability of such service under Transporter's LFS Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate contract, the rates to be charged Shipper for transportation hereunder shall not be more than the maximum rates under the LFS Rate Schedule, nor less than the minimum rates under the LFS Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the LFS Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedules and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.
3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's LFS Rate Schedule, (b) Transporter's LFS Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the LFS Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

#### ARTICLE IV RECEIPT POINTS

Natural gas to be received by Transporter for the account of Shipper hereunder shall be received at the Primary Receipt Point(s) set forth in Exhibit A of the Transportation Service Agreement, with the Maximum Input Quantity and the receipt pressure obligation indicated for each such Primary Receipt Point. The Maximum Input Quantities listed in Exhibit A are subject to adjustment to take account of the Measurement Variance Gas Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff. Natural gas to be received by Transporter for the account of Shipper hereunder may also be received at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE V DELIVERY POINTS

Natural gas to be delivered by Transporter for the account of Shipper hereunder shall be delivered at the Primary Delivery Point(s) set forth in Exhibit A of the Transportation Service Agreement, with the Maximum Equivalent Quantity and the delivery pressure obligation indicated for each such Primary Delivery Point. Natural gas to be delivered by Transporter for the account of Shipper hereunder may also be delivered at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE VI ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be addressed as follows:

- (a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700  
Houston, Texas 77002-2700  
Attention: Commercial Services
- (b) Shipper:

or such other address as either party shall designate by formal written notice.

ARTICLE VII  
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VIII  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto:

ARTICLE IX  
MODIFICATION

No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE X  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO IT RATE SCHEDULE)

This Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to receive from or for the account of Shipper for transportation on an interruptible basis quantities of natural gas tendered by Shipper on any day at the Receipt Point(s); provided, however, Shipper shall not tender without the prior consent of Transporter, at all Receipt Point(s) on any day a quantity of natural gas, in excess of the following quantities of natural gas (taking into account the Measurement Variation Gas Quantity):

Maximum Transportation Quantity \_\_\_\_\_ MMBtu

2. Transporter agrees to transport and deliver to or for the account of Shipper at the Delivery Point(s) and Shipper agrees to accept or cause acceptance of delivery of the quantity received by Transporter on any day from Shipper pursuant to Article I(1.) (subject to adjustment for the Measurement Variance Gas Quantity).

ARTICLE II  
TERM OF AGREEMENT

Service under this agreement shall begin on \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and \_\_\_\_\_ thereafter until cancelled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

ARTICLE III  
RATE SCHEDULE

1. Beginning with the Commencement Date, Shipper shall, in accordance with the IT Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder under Transporter's IT Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate

- contract, the rates to be charged Shipper for transportation hereunder shall not be more than the maximum rates under the IT Rate Schedule, nor less than the minimum rates under the IT Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the IT Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedules and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.
  3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's IT Rate Schedule, (b) Transporter's IT Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the IT Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

#### ARTICLE IV ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be addressed as follows:

(a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700  
Houston, Texas 77002-2700  
Attention: Commercial Services

(b) Shipper:

or such other address as either party shall designate by formal written notice.

ARTICLE V  
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VI  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto.

ARTICLE VII  
MODIFICATION

No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE VIII  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_



[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
APPLICABLE TO PARKING AND LENDING SERVICE  
UNDER PL RATE SCHEDULE

This Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to provide to or for the account of Shipper on an interruptible basis parking and lending service not to exceed at all Receipt Points on any day a total quantity of natural gas in excess of the following quantities of natural gas:

Daily Parking and Loan Quantity: \_\_\_\_\_ MMBtu

2. Quantities parked or loaned by Transporter under the PL Rate Schedule will be as specified in Shipper's delivery schedule to be provided to Transporter.
3. The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers that have a higher priority of service or to Transporter.

ARTICLE II  
TERM OF AGREEMENT

Service under this Agreement shall begin on \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and \_\_\_\_\_ thereafter until cancelled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

ARTICLE III

1. Beginning with the Commencement Date, Shipper shall, in accordance with the PL Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder under Transporter's PL Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate contract, the rates to be charged Shipper for parking and lending hereunder shall not be

- more than the maximum rates under the PL Rate Schedule, nor less than the minimum rates under the PL Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the PL Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedule and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedule and General Terms and Conditions are by this reference made a part hereof.
  3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's PL Rate Schedule, (b) Transporter's PL Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the PL Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

#### ARTICLE IV ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be addressed as follows:

(a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700  
Houston, Texas 77002-2700  
Attention: Commercial Services

(b) Shipper:

Or such other address as either party shall designate for formal written notice.

ARTICLE V  
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VI  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto.

ARTICLE VII  
MODIFICATION

No modification of the terms and provisions of a Parking and Lending Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE VIII  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_

# Appendix B

## Tuscarora Gas Transmission Company *FERC Gas Tariff, Second Revised Volume No. 1*

### Marked Tariff

<u>Tariff</u>	<u>Sections</u>	<u>Version</u>
	Cover Sheet	
1–	Table of Contents	v.3.0.0
5.1.3.4 –	Rate Schedule FT, Reserved for Future Use	v.2.0.0
5.2.3.4 –	Rate Schedule LFS, Reserved for Future Use	v.2.0.0
5.3.3 –	Rate Schedule IT, Rates	v.2.0.0
6.3.1–	GT&C, Qualifications for Service	v.2.0.0
6.11.1 –	GT&C, Measuring Station	v.2.0.0
6.17 –	GT&C, Other Operating Conditions	v.2.0.0
6.27.5.2–	GT&C, Avoidance of Right of First Refusal	v.2.0.0
6.37 –	GT&C, Installation of Facilities	v.0.0.0
7.1 –	Service Agmts, Rate Schedule FT – Form of Service Agreement	v.2.0.0
7.2 –	Service Agmts, Rate Schedule LFS – Form of Service Agreement	v.2.0.0
7.3 –	Service Agmts, Rate Schedule IT – Form of Service Agreement	v.2.0.0
7.4 –	Service Agmts, Rate Schedule PL – Form of Service Agreement	v.2.0.0

FERC GAS TARIFF

SECOND REVISED VOLUME NO. 1

OF

TUSCARORA GAS TRANSMISSION COMPANY

FILED WITH

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning This Tariff  
Should Be Addressed To:

Joan Collins  
Manager, Tariffs and Compliance  
Tuscarora Gas Transmission Company  
Mailing Address: P.O. Box 2446  
Houston, TX 77252-2446  
Courier Address: 700 Louisiana Street, Suite 700717 Texas  
~~Street, Suite 2400~~  
Houston, TX 77002-2700~~2761~~  
Phone: (832) 320-5651  
Fax: (832) 320-6651

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Form of Service Agreements

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5.1.3.4 ~~RESERVED FOR FUTURE USE~~ ~~Shipper Reimbursement.~~ ~~Transporter shall not be obligated to install additional facilities, other than those specified in Section 6.11.1 of the General Terms and Conditions herein, that are required to provide service under this FERC Gas Tariff, Second Revised Volume No. 1; provided, however, Transporter may install or Shipper may pay all of the expenses incurred for installing additional facilities on a nondiscriminatory basis and under terms that are mutually agreeable. In the event Transporter incurs the cost of installing additional facilities on behalf of a Shipper, Shipper shall pay, in addition to the rate(s) stated in the applicable rate schedule, the prorated (based on Transportation Contract Demand) cost of service attributable to any such additional facilities until such time as a different allocation procedure is specified by Commission order.~~

5.2.3.4 ~~RESERVED FOR FUTURE USE~~ ~~Shipper Reimbursement.~~ ~~Transporter shall not be obligated to install additional facilities, other than those specified in Section 6.11.1 herein, that are required to provide service under this FERC Gas Tariff, Second Revised Volume No. 1; provided, however, Transporter may install or Shipper may pay all of the expenses incurred for installing additional facilities on a nondiscriminatory basis and under terms that are mutually agreeable. In the event Transporter incurs the cost of installing additional facilities on behalf of a Shipper, Shipper shall pay, in addition to the rate(s) stated in the applicable rate schedule, the prorated (based on Transportation Contract Demand) cost of service attributable to any such additional facilities until such time as a different allocation procedure is specified by Commission order.~~

### 5.3.3 RATES

1. **Unit Rates.** The applicable maximum and minimum unit rates are set forth in the currently effective Section 4.3 or Section 4.4 (as applicable) of this FERC Gas Tariff and are hereby incorporated herein. The applicable unit rates to be charged on any day by Transporter for gas scheduled for Shipper shall not be in excess of the maximum unit rate nor less than the minimum unit rate. The same minimum and maximum rates are applicable whether the service constitutes a Backhaul or otherwise.
2. **Negotiated Rates.** Notwithstanding any provision of Transporter's Tariff to the contrary, Transporter and Shipper may mutually agree in writing to a Negotiated Rate (including a Negotiated Rate Formula) with respect to the rates, rate components, charges, or credits that are otherwise prescribed, required, established, or imposed by this Rate Schedule or by any other applicable provision of Transporter's Tariff.

Such Negotiated Rate shall be set forth in Exhibit B to the Interruptible Transportation Service Agreement and Transporter shall make any filings with the Commission necessary to effectuate such Negotiated Rate.

Shippers paying a Negotiated Rate which exceeds the maximum applicable tariff rate shall be considered to be paying the maximum applicable tariff rate for purposes of scheduling, curtailment, and interruption, and calculating the economic value of a request for available or unsubscribed capacity.

3. **Monthly Bill.** For Shippers executing a Transportation Service Agreement pursuant to this IT Rate Schedule and beginning with the Commencement Date and for each month thereafter, Transporter shall charge and Shipper shall pay Transporter the sum of the following amounts:
  - (a) **Delivery Charge:** The applicable delivery rate multiplied by the quantity of gas scheduled in the month (excluding Authorized Overrun Quantities) at the Delivery Point(s); plus
  - (b) **Authorized Overrun Charge:** The applicable authorized overrun charge per MMBtu multiplied by the Authorized Overrun Quantity scheduled for Shipper for the month under this rate schedule; plus
  - (c) **Imbalance Charges:** The applicable imbalance charges assessed pursuant to Section 6.6 of the General Terms and Conditions of this Tariff; plus
  - (d) **Scheduling Penalties:** The applicable scheduling penalties assessed pursuant to Section 6.6 of the General Terms and Conditions of this Tariff; plus

- (e) Unauthorized Contract Overrun Penalties: The applicable unauthorized contract overrun penalties assessed pursuant to Section 6.6 of the General Terms and Conditions of this Tariff; plus
  - (f) Other Applicable Charges: The applicable surcharges provided for in Sections 6.12 and 6.13 of the General Terms and Conditions of this Tariff; less
  - (g) Penalty Revenue Credit: The revenue credit provided for in Section 6.29.2 of the General Terms and Conditions of this Tariff.
4. ~~RESERVED FOR FUTURE USE~~ Shipper Reimbursement. ~~Transporter shall not be obligated to install additional facilities, other than those specified in Section 6.11.1 herein, that are required to provide service under this FERC Gas Tariff, Second Revised Volume No. 1; provided, however, Transporter may install or Shipper may pay all of the expenses incurred for installing additional facilities on a nondiscriminatory basis and under terms that are mutually agreeable. In the event Transporter incurs the cost of installing additional facilities on behalf of a Shipper, Shipper shall pay, in addition to the rate(s) stated in the applicable rate schedule, the prorated (based on Transportation Contract Demand) cost of service attributable to any such additional facilities until such time as a different allocation procedure is specified by Commission order.~~

- 6.3.1 Qualifications for Service. All Shippers requesting transportation service must provide the information required by this Section 6.3 of the General Terms and Conditions. No service shall be rendered until the availability provisions of the applicable rate schedule have been satisfied.

Requests for service should be directed to the following address:

Tuscarora Gas Transmission Company  
Marketing  
700 Louisiana Street, Suite 700~~717 Texas Street, Suite 2400~~  
Houston, Texas 77002-2700~~2761~~  
Phone: 503/833-4300, Option 2

- 6.11.1 Measuring Station. Transporter will install, maintain and operate at or near the Delivery Point(s), a measuring station properly equipped with meters, and other necessary measuring equipment by which the volume of natural gas made available to or on behalf of Shipper shall be measured and determined in accordance with Section 6.9 of these General Terms and Conditions.

Installation: Unless Transporter and Shippers agree otherwise, all gas volume measuring equipment, devices and materials at the point(s) of receipt and/or delivery shall be furnished and installed by Transporter at Shipper's expense including the tax-on-tax effect. The construction and installation of measuring equipment, devices and materials shall be in accordance with Transporter's technical specifications. ~~All~~ Unless Transporter and Shipper agree otherwise, all such equipment, devices and materials shall be owned, maintained and operated by Transporter.

- (a) Orifice Meters. Orifice meters, if used, shall be installed, and gas quantities computed, in accordance with American National Standard Bulletin ANSI/API 2530, Orifice Metering Of Natural Gas, dated June 1979, and any modification and amendments thereof, and shall include the use of flange connections and straightening vanes.
- (b) Diaphragm or Turbine Meters. Diaphragm or turbine meters, if used, shall be installed, and gas quantities computed, in accordance with generally accepted industry practices.
- (c) Electronic Flow Computers. Electronic or other types of flow computers, if used, shall be installed, and quantities calculated in accordance with generally accepted industry practices.
- (d) New Measurement Techniques. If at any time a new method or technique is developed with respect to gas measurement or the determination of the factors used in such gas measurement, such new method or technique may be substituted upon receipt of Commission authorization or in accordance with generally accepted industry practices.

## 6.17 OTHER OPERATING CONDITIONS

1. **Minimum Quantity Meterable.** In no event shall Transporter be required to accept a request for transportation service for a quantity of gas which Transporter cannot meter with reasonable accuracy at the Receipt or Delivery Points for which Shipper is requesting service. If Shipper's request for transportation service involves a quantity which Transporter cannot meter with reasonable accuracy at the requested Receipt or Delivery Points, Transporter will promptly inform Shipper and advise Shipper of the minimum quantity that can be metered with reasonable accuracy at the proposed Receipt and Delivery Points.
2. **Coordination With Other Parties.** Shipper shall make all necessary arrangements with other parties at or upstream of the Receipt Point(s) where natural gas is delivered to Transporter by Shipper or for Shipper's account, which arrangements shall be compatible with Transporter's system operations and coordinated with Transporter's dispatchers. To the extent Shipper's upstream transporter refuses to deliver scheduled quantities on behalf of Shipper, or Shipper's downstream transporter refuses to receive scheduled quantities on behalf of Shipper, Transporter shall not be obligated to transport such quantities for Shipper's account.
3. **Facilities to be in Place Prior to Request.** Transporter shall not be required to render transportation service on behalf of Shipper in the event that all facilities necessary to render such service do not exist at the time such service is requested.
4. **Shipper to Comply With All Terms.** Transporter shall not be required to render transportation service on behalf of any Shipper which on any day fails to comply with any or all of the terms of the Transportation Service Agreement(s) between Transporter and Shipper.
5. **Complaint Resolution.** Transporter will attempt to resolve any complaints by Shippers or potential Shippers without the necessity of a written complaint. To this end, Shippers are encouraged to attempt to resolve disputes informally with their designated service representatives.

A formal complaint concerning any transportation services offered by Transporter must specifically state that it is a complaint under the Marketing affiliate rules and should be directed in writing to:

Tuscarora Gas Transmission Company  
~~700 Louisiana Street, Suite 700717 Texas Street, Suite 2400~~  
Houston, Texas 77002-27002761  
Attention: Director, Commercial Services



Transporter will respond initially within 48 hours and in writing within 30 days to complaints by shippers and potential shippers.

6.27.5.2 Avoidance of Right of First Refusal. Shipper can extend the term of its Service Agreement at any time and not be subject to the Right of First Refusal process outlined above if prior to the open season bidding process~~Notice of Election~~ described in Section 6.27.5.5~~3~~, Shipper and Transporter mutually agree to amend the terms of the existing Service Agreement which shall include an extension of the term beyond the termination date of the existing Service Agreement. Tuscarora will mutually agree to a contract extension term under this subsection on a not unduly discriminatory basis.

## 6.37 INSTALLATION OF FACILITIES

1. Transporter shall not be obligated to install additional facilities, other than those specified in Section 6.11.1 of the General Terms and Conditions herein, that are required to provide or perform any service under this FERC Gas Tariff, Second Revised Volume No. 1; provided, however, Transporter may install at its expense or Shipper may pay, either on a lump sum or incremental fee basis, all or a portion of Transporter's costs and expenses incurred for installing and/or operating additional facilities, including the tax-on-tax effect, on a nondiscriminatory basis and under terms that are mutually agreeable. Shipper assumes full responsibility and liability and agrees to hold Transporter harmless from any liability of any nature arising from the installation of such facilities by Shipper or Shipper's agent.
2. Contributions in Aid of Construction - Transporter may agree to pay or contribute to the cost of building facilities for current or potential Shippers when Transporter determines that doing so will result in an economic benefit or when Transporter determines that the project is economically neutral to Transporter. Transporter may conclude that a portion of the facilities are economically beneficial. Transporter will evaluate each prospective project hereunder based upon the incremental cost-of-service and incremental revenues which Transporter estimates will be generated as a result of the project. When estimating incremental revenues to be generated, Transporter will base those revenues upon transportation rates it expects to be able to charge, net of pass-through surcharges, and the incremental billing determinants that Transporter anticipates.
3. Pipeline Interconnections – Transporter will have the right, regardless of which party designs and constructs the facilities, to require installation of any equipment necessary to: i) accurately monitor the quality of Gas received into its Mainline Facilities and Extension Facilities to ensure that such Gas meets the specifications of its Tariff; ii) maintain the reliability and operational integrity of its Mainline Facilities and Extension Facilities; and iii) enable accurate custody transfer management. In addition, any interconnection will be subject to the following conditions:
  - a) The party seeking the interconnection must be willing to bear the costs of the construction if Transporter performs the task. In the alternative, the party seeking the interconnection could construct the facilities itself in compliance with Transporter's technical requirements;
  - b) The proposed interconnection must not adversely affect Transporter's operations;
  - c) The proposed interconnection and any resulting transportation must not diminish service to Transporter's existing customers;
  - d) The proposed interconnection must not cause Transporter to be in violation of any applicable environmental or safety laws or regulations with respect to the

facilities required to establish an interconnection with Transporter's existing facilities;

- e) The proposed interconnection must not cause Transporter to be in violation of its right-of-way agreements or any other contractual obligations with respect to the interconnection facilities.

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO FT RATE SCHEDULE)

This Agreement ("Agreement") is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to receive from or for the account of Shipper for transportation on a firm basis quantities of natural gas tendered by Shipper on any day at the Receipt Points; provided, however, Shipper shall not tender without the prior consent of Transporter, at any Receipt Point on any day a quantity of natural gas (taking into account the Measurement Variance Gas Quantity) in excess of the applicable Maximum Input Quantity for such Receipt Point and provided further that Shipper shall not tender at all Receipt Points on any day a cumulative quantity of natural gas (taking into account the Measurement Variance Gas Quantity), without the prior consent of Transporter, in excess of the following quantities of natural gas:

Maximum Transportation Quantity \_\_\_\_\_ MMBtu

2. Transporter agrees to transport and deliver to or for the account of Shipper at the Delivery Points and Shipper agrees to accept or cause acceptance of delivery of the quantity received by Transporter on any day from Shipper pursuant to Article I(1.) (subject to adjustment to reflect the Measurement Variance Gas Quantity); provided, however, Transporter shall not be obligated to deliver at any Delivery Point on any day a quantity of natural gas in excess of the applicable Maximum Equivalent Quantity, nor a quantity of gas at all Delivery Points in excess of the Maximum Transportation Quantity. Transporter's obligations hereunder shall be subject to the installation of all necessary facilities.

ARTICLE II  
TERM OF AGREEMENT

Service under this Agreement shall begin on \_\_\_\_\_, and shall continue until \_\_\_\_\_. Shipper's Right of First Refusal shall be in accordance with Section 6.27 of Transporter's General Terms and Conditions.

Thereafter, this agreement shall continue in full force and effect for an additional term of \_\_\_\_\_ unless \_\_\_\_\_ gives at least \_\_\_\_\_ prior written notice of its desire to terminate this agreement. Under this evergreen provision, parties capable of giving notice of termination may include only Shipper (unilateral evergreen) or may include both Shipper and Transporter (bilateral evergreen).

### ARTICLE III RATE SCHEDULE

1. Beginning with the Commencement Date, Shipper shall, in accordance with the FT Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder and for the availability of such service under Transporter's FT Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate contract, the rates to be charged Shipper for transportation hereunder shall not be more than the maximum rates under the FT Rate Schedule, nor less than the minimum rates under the FT Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the FT Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedules and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.
3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's FT Rate Schedule, (b) Transporter's FT Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the FT Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

### ARTICLE IV RECEIPT POINTS

Natural gas to be received by Transporter for the account of Shipper hereunder shall be received at the Primary Receipt Point(s) set forth in Exhibit A of the Transportation Service Agreement,

with the Maximum Input Quantity and the receipt pressure obligation indicated for each such Primary Receipt Point. The Maximum Input Quantities listed in Exhibit A are subject to adjustment to take account of the Measurement Variance Gas Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff. Natural gas to be received by Transporter for the account of Shipper hereunder may also be received at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE V DELIVERY POINTS

Natural gas to be delivered by Transporter for the account of Shipper hereunder shall be delivered at the Primary Delivery Point(s) set forth in Exhibit A of the Transportation Service Agreement, with the Maximum Equivalent Quantity and the delivery pressure obligation indicated for each such Primary Delivery Point. Natural gas to be delivered by Transporter for the account of Shipper hereunder may also be delivered at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE VI ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be addressed as follows:

(a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700717 Texas Street, Suite 2400  
Houston, Texas 77002-27002761  
Attention: Commercial Services

(b) Shipper:

or such other address as either party shall designate by formal written notice.

#### ARTICLE VII INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VIII  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto:

ARTICLE IX  
MODIFICATION

No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE X  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_



FORM OF SERVICE AGREEMENT  
(APPLICABLE TO LFS RATE SCHEDULE)

This Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to receive from or for the account of Shipper for transportation on a limited basis quantities of natural gas tendered by Shipper on any day at the Receipt Points; provided, however, Shipper shall not tender without the prior consent of Transporter, at any Receipt Point on any day a quantity of natural gas (taking into account the Measurement Variance Gas Quantity) in excess of the applicable Maximum Input Quantity for such Receipt Point and provided further that Shipper shall not tender at all Receipt Points on any day a cumulative quantity of natural gas (taking into account the Measurement Variance Gas Quantity), without the prior consent of Transporter, in excess of the following quantities of natural gas:

Maximum Transportation Quantity \_\_\_\_\_ MMBtu

2. Transporter agrees to transport and deliver to or for the account of Shipper at the Delivery Points and Shipper agrees to accept or cause acceptance of delivery of the quantity received by Transporter on any day from Shipper pursuant to Article I(1.) (subject to adjustment to reflect the Measurement Variance Gas Quantity); provided, however, Transporter shall not be obligated to deliver at any Delivery Point on any day a quantity of natural gas in excess of the applicable Maximum Equivalent Quantity, nor a quantity of gas at all Delivery Points in excess of the Maximum Transportation Quantity. Transporter's obligations hereunder shall be subject to the installation of all necessary facilities.

ARTICLE II  
TERM OF AGREEMENT AND NUMBER OF LIMITED DAYS

1. Service under this Agreement shall begin on \_\_\_\_\_, and shall continue until \_\_\_\_\_.

2. Shipper and Transporter agree that the minimum number of Limited Days will be \_\_\_\_\_ and the maximum number of Limited Days will be \_\_\_\_\_.
3. Shipper \_\_\_\_\_ agrees \_\_\_\_\_ does not agree to accept "partial volume day" limiting at the discretion of Transporter.

ARTICLE III  
RATE SCHEDULE

1. Beginning with the Commencement Date, Shipper shall, in accordance with the LFS Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder and for the availability of such service under Transporter's LFS Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate contract, the rates to be charged Shipper for transportation hereunder shall not be more than the maximum rates under the LFS Rate Schedule, nor less than the minimum rates under the LFS Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the LFS Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedules and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.
3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's LFS Rate Schedule, (b) Transporter's LFS Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the LFS Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

#### ARTICLE IV RECEIPT POINTS

Natural gas to be received by Transporter for the account of Shipper hereunder shall be received at the Primary Receipt Point(s) set forth in Exhibit A of the Transportation Service Agreement, with the Maximum Input Quantity and the receipt pressure obligation indicated for each such Primary Receipt Point. The Maximum Input Quantities listed in Exhibit A are subject to adjustment to take account of the Measurement Variance Gas Quantity as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff. Natural gas to be received by Transporter for the account of Shipper hereunder may also be received at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE V DELIVERY POINTS

Natural gas to be delivered by Transporter for the account of Shipper hereunder shall be delivered at the Primary Delivery Point(s) set forth in Exhibit A of the Transportation Service Agreement, with the Maximum Equivalent Quantity and the delivery pressure obligation indicated for each such Primary Delivery Point. Natural gas to be delivered by Transporter for the account of Shipper hereunder may also be delivered at any other interconnection with another operator on Transporter's system, subject to the requirements of higher priority services.

#### ARTICLE VI ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be in writing and shall be addressed as follows:

- (a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700~~717 Texas Street, Suite 2400~~  
Houston, Texas 77002-2700~~2761~~  
Attention: Commercial Services

- (b) Shipper:

or such other address as either party shall designate by formal written notice.

ARTICLE VII  
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada, excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VIII  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto:

ARTICLE IX  
MODIFICATION

No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE X  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
(APPLICABLE TO IT RATE SCHEDULE)

This Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to receive from or for the account of Shipper for transportation on an interruptible basis quantities of natural gas tendered by Shipper on any day at the Receipt Point(s); provided, however, Shipper shall not tender without the prior consent of Transporter, at all Receipt Point(s) on any day a quantity of natural gas, in excess of the following quantities of natural gas (taking into account the Measurement Variation Gas Quantity):

Maximum Transportation Quantity \_\_\_\_\_ MMBtu

2. Transporter agrees to transport and deliver to or for the account of Shipper at the Delivery Point(s) and Shipper agrees to accept or cause acceptance of delivery of the quantity received by Transporter on any day from Shipper pursuant to Article I(1.) (subject to adjustment for the Measurement Variance Gas Quantity).

ARTICLE II  
TERM OF AGREEMENT

Service under this agreement shall begin on \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and \_\_\_\_\_ thereafter until cancelled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

ARTICLE III  
RATE SCHEDULE

1. Beginning with the Commencement Date, Shipper shall, in accordance with the IT Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder under Transporter's IT Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate

contract, the rates to be charged Shipper for transportation hereunder shall not be more than the maximum rates under the IT Rate Schedule, nor less than the minimum rates under the IT Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the IT Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.

2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedules and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedules and General Terms and Conditions are by this reference made a part hereof.
3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's IT Rate Schedule, (b) Transporter's IT Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the IT Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

#### ARTICLE IV ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be addressed as follows:

(a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700~~717 Texas Street, Suite 2400~~  
Houston, Texas 77002-2700~~2761~~  
Attention: Commercial Services

(b) Shipper:

or such other address as either party shall designate by formal written notice.

ARTICLE V  
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VI  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto.

ARTICLE VII  
MODIFICATION

No modification of the terms and provisions of a Transportation Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE VIII  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_



[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_

FORM OF SERVICE AGREEMENT  
APPLICABLE TO PARKING AND LENDING SERVICE  
UNDER PL RATE SCHEDULE

This Agreement ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Tuscarora Gas Transmission Company, a Nevada partnership (herein called "Transporter"), and \_\_\_\_\_ (herein called "Shipper" whether one or more persons).

In consideration of the premises and of the mutual covenants herein contained, the parties do agree as follows:

ARTICLE I  
SCOPE OF AGREEMENT

1. Transporter agrees to provide to or for the account of Shipper on an interruptible basis parking and lending service not to exceed at all Receipt Points on any day a total quantity of natural gas in excess of the following quantities of natural gas:

Daily Parking and Loan Quantity: \_\_\_\_\_ MMBtu

2. Quantities parked or loaned by Transporter under the PL Rate Schedule will be as specified in Shipper's delivery schedule to be provided to Transporter.
3. The service under this Agreement shall be conditioned upon the availability of capacity sufficient to provide the service without detriment or disadvantage to those customers that have a higher priority of service or to Transporter.

ARTICLE II  
TERM OF AGREEMENT

Service under this Agreement shall begin on \_\_\_\_\_, and shall continue in full force and effect until \_\_\_\_\_, and \_\_\_\_\_ thereafter until cancelled by \_\_\_\_\_ day(s) prior written notice given by either party to the other.

ARTICLE III

1. Beginning with the Commencement Date, Shipper shall, in accordance with the PL Rate Schedule and the General Terms and Conditions of Transporter's FERC Gas Tariff, pay Transporter for all services rendered hereunder under Transporter's PL Rate Schedule as filed with the Federal Energy Regulatory Commission and as the same may be hereafter revised or changed. Unless Transporter and Shipper enter into a Negotiated Rate contract, the rates to be charged Shipper for parking and lending hereunder shall not be

- more than the maximum rates under the PL Rate Schedule, nor less than the minimum rates under the PL Rate Schedule. Unless otherwise agreed, the rates for service under this Agreement shall be the maximum rates under the PL Rate Schedule. In the event Transporter and Shipper agree on a Negotiated Rate, that rate, and any provisions governing such Negotiated Rate, shall be set forth in Exhibit B attached hereto.
2. This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of Transporter's applicable rate schedule and of Transporter's General Terms and Conditions on file with the Federal Energy Regulatory Commission, or other duly constituted authorities having jurisdiction, and as the same may be legally amended or superseded, which rate schedule and General Terms and Conditions are by this reference made a part hereof.
  3. Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make changes effective in (a) the rates and charges applicable to service pursuant to Transporter's PL Rate Schedule, (b) Transporter's PL Rate Schedule, pursuant to which service hereunder is rendered or (c) any provision of the General Terms and Conditions of Transporter's FERC Gas Tariff applicable to the PL Rate Schedule. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff to assure that the provisions in (a), (b), or (c) above are just and reasonable.

#### ARTICLE IV ADDRESSES

Except as herein otherwise provided or as provided in the General Terms and Conditions of Transporter's FERC Gas Tariff, any notice, request, demand, statement, bill or payment provided for in this Agreement, or any notice which any party may desire to give to the other, shall be addressed as follows:

- (a) Transporter: Tuscarora Gas Transmission Company  
700 Louisiana Street, Suite 700~~717 Texas Street, Suite 2400~~  
Houston, Texas ~~77002-2700~~~~2761~~  
Attention: Commercial Services

- (b) Shipper:

Or such other address as either party shall designate for formal written notice.

ARTICLE V  
INTERPRETATION

The interpretation and performance of the Agreement shall be in accordance with the laws of Nevada excluding conflicts of law principles that would require the application of the laws of a different jurisdiction.

ARTICLE VI  
AGREEMENTS BEING SUPERSEDED

When this Agreement becomes effective, it shall supersede the following agreements between the parties hereto.

ARTICLE VII  
MODIFICATION

No modification of the terms and provisions of a Parking and Lending Service Agreement shall be made except by the execution of written contracts signed by Transporter and Shipper.

ARTICLE VIII  
ASSIGNABILITY

Neither party hereto shall assign or otherwise convey any of its rights, obligations or interests under this Agreement without the prior written consent of the other party hereto (which consent shall not be unreasonably withheld); provided, however, that such assignment or conveyance can be made without the other party's consent if made to a successor entity (whether by merger or by consolidation or by sale of substantially all the assets of such party). Nothing contained herein shall give Shipper the right to reassign its right to ship the quantities of gas specified in the Transportation Service Agreement on Transporter's system to others except as provided in Section 6.26 of the General Terms and Conditions of Transporter's Tariff. Further, nothing contained herein shall prevent either party from pledging, mortgaging or assigning its rights as security for its indebtedness and either party may assign to the pledgee or mortgagee (or to a trustee for the holder of such indebtedness) any money due or to become due under any service agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by their respective agents thereunto duly authorized, the day and year first above written.

TUSCARORA GAS TRANSMISSION COMPANY

By: \_\_\_\_\_

Title: \_\_\_\_\_

[Shipper]

By: \_\_\_\_\_

Title: \_\_\_\_\_