September 1, 2026

North Baja Pipeline, LLC
700 Louisiana Street, Suite 1300
Houston, TX 77002-2700

Kelly Griffin
Director, Rates & Regulatory

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Ms. Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

Re: North Baja Pipeline, LLC
TC eConnects System Conversion/Housekeeping
Docket No. RP26-_____-000

Dear Ms. Reese:

Pursuant to Section 4 of the Natural Gas Act ("NGA") and Part 154 of the Federal Energy Regulatory Commission's ("FERC" or "Commission") regulations,[1] North Baja Pipeline, LLC ("North Baja") respectfully submits for filing and acceptance revised tariff sections to be part of its FERC Gas Tariff, First Revised Volume No. 1 ("Tariff"). As explained in greater detail below, North Baja is proposing revisions to its Tariff in connection with the implementation of its new interactive customer activities system, TC eConnects, as well as certain minor administrative housekeeping changes. North Baja respectfully requests that the Commission accept the revised tariff sections, included in Appendix A, to become effective October 1, 2026.

Correspondence

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

* Kelly Griffin Director, Rates & Regulatory North Baja Pipeline, LLC 700 Louisiana Street, Suite 1300 Houston, Texas 77002-2700	* Erin Bullard Sr. Legal Counsel North Baja Pipeline, LLC 700 Louisiana Street, Suite 1300 Houston, Texas 77002-2700

[1] 18 C.F.R. Part 154 (2026).

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* Persons designated for official service pursuant to Rule 2010.

Statement of Nature, Basis and Reasons

The purpose of this filing is to update North Baja's Tariff to reflect the conversion from the current interactive customer activities system, TC PLUS, to a new system, TC eConnects. North Baja's TC eConnects system will provide customers with an enhanced user experience through improved functionality and streamlined management of daily business activities on both desktop and mobile devices. North Baja plans to transition to the TC eConnects system on October 1, 2026.

As part of the TC eConnects implementation, North Baja is proposing related modifications to its Tariff to become effective October 1, 2026. The proposed tariff changes include clarifying, streamlining and simplifying select provisions within the General Terms and Conditions ("GT&C") in order to better align the North Baja Tariff with the functionality provided by TC eConnects. Additionally, North Baja is proposing other minor modifications and administrative housekeeping changes as part of the instant filing. Other than several clarifications and housekeeping revisions, North Baja is not proposing to modify its existing transportation services as part of the instant filing. The proposed changes are more fully described below.

Modifications to North Baja's Rate Schedule

- Part 5.3 (Rate Schedule PAL) – updated to accommodate and promote a uniform reference throughout its Tariff[2] and TC eConnects, North Baja proposes to revise the acronym used to reference "Parking and Lending Service" from "PAL-1" to "PAL." No changes to the service provided under Rate Schedule PAL are proposed in the instant

[2] The specific tariff sections affected are: Part 1- Table of Contents; Part 4.1 – Statement of Rates; Part 5 – Rate Schedules; Part 5.3 – Rate Schedule PAL; Part 5.3.3 – Rate Schedule PAL, Rates; Part 6.12.5 – GT&C, Creditworthiness for Lending Service; Part 6.16.2 – GT&C, Actual Delivered Qty. Exceeds Actual Confirmed Receipt Qty.; Part 6.16.3 – GT&C, Actual Confirmed Receipt Qty. Exceeds Actual Delivered Qty.; and Part 7.5 – Service Agmts, Rate Schedule PAL.

filing; North Baja is merely proposing to change the acronym by which Rate Schedule Parking and Lending Service is referenced.[3]

<u>Modifications to North Baja's GT&C</u>

North Baja proposes revisions to various provisions of the GT&C of its Tariff consisting of: (i) housekeeping and administrative updates; and (ii) changes related to the implementation of TC eConnects. The proposed GT&C changes are more fully described below.

- Part 6.1 (Definitions) – updated the definitions in its Tariff by placing them in alphabetical order to improve consistency and ease of reference.[4] North Baja also updated its internet website definition to include TC eConnects.
- Part 6.8.6 (Electronic Contracting Agreement) – a newly proposed Part 6.8.6, Electronic Contracting Agreement within the GT&C of its Tariff.
- Part 6.9.1 (Open Seasons for Existing Capacity) – for clarity, revised "on a timely basis" under section (e) to "within thirty (30) days."
- Part 6.18.5 (Failure to Comply with OFO) – revised the reference from "SoCal Gas, large packages" to simply "SoCal Gas," as "SoCal Gas, large packages" is no longer an active pricing point.[5]
- Part 6.36 (Electronic Communications) – revised to include the complete URL for North Baja's internet website.
- Minor housekeeping revisions to various tariff sections[6] to update defined-term references and the removal of references to facsimile.

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[3] There are no redlines to the following tariff sections; however, they are included in this filing for FERC eTariff metadata purposes: Part 5.3.1 – Rate Schedule PAL, Availability; Part 5.3.2 – Rate Schedule PAL, Applicability and Character of Service; Part 5.3.4 – Rate Schedule PAL, Operational Requirements of NBP; Part 5.3.5 – Rate Schedule PAL, Commission and Other Regulatory Fees; and Part 5.3.6 – Rate Schedule PAL, GT&C of Service.

[4] The renumbering of defined terms resulting from the alphabetical reordering of Part 6.1 affected the following tariff sections: Part 5.1.3 – Rate Schedule FTS-1; Part 5.2.3 – Rate Schedule ITS-1; Part 6.22 – GT&C, Flexible Receipt and Delivery Points; and Part 6.40 – GT&C, NAESB WGQ Standards.

[5] Part 5.3.4 – Rate Schedule PAL, Operational Requirements of NBP, has also been revised to reflect the change to "SoCal Gas."

[6] Specifically, Part 6.8.1 – GT&C, Firm Transportation Service; Part 6.12.1 – GT&C, Creditworthiness for Firm Transportation Service; Part 6.18.3 – GT&C, OFO Notice Procedures; and Part 6.19.1 – GT&C, Eligibility to Release.

Modifications to North Baja's Form of Service Agreements

North Baja proposes minor revisions to its transportation service agreements[7] to remove repetitive language related to amended agreements, eliminate references to fax communications, and update North Baja's address. Further, in conjunction with the implementation of the TC eConnects system, North Baja has revised Exhibit A to its service agreements, where necessary, to incorporate a table setting forth various service agreement elements.

Miscellaneous and Administrative Housekeeping

- Title Page – updated to reflect a change in the title of the contact person to whom communications should be addressed.
- Part 3 (Maps) – updated to reflect a change in the currently effective North Baja map web address, in conjunction with the TC eConnects implementation.
- Part 4.2.1 (Negotiated Rate Agreements) – as an additional housekeeping measure, North Baja recently conducted a review of its negotiated rate and non-conforming service agreements to determine whether any agreements are no longer required to be included in North Baja's Tariff. As a result of this review, North Baja identified certain negotiated rate agreement provisions that, due to administrative oversight, require amendment. Accordingly, North Baja proposes the revisions set forth in Appendix A to correct these discrepancies.
- Part 4.2.2 (Explanatory Footnotes for Negotiated Rates) – updated to reflect the correct descriptions of the footnotes associated with the negotiated rate service agreements being amended, as explained above.
- Part 4.3 (Non-Conforming Service Agreements) – updated to reflect the removal of previously approved non-conforming service agreements that have since terminated or are now conforming.

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[7] The affected service agreements and exhibits are: Part 7.1 – Rate Schedule FTS-1; Part 7.1.1 – Rate Schedule FTS-1 – Exhibit A; Part 7.2 – Rate Schedule FTS-1 (LAT-1); Part 7.2.1 – Rate Schedule FTS-1 (LAT-1) – Exhibit A; Part 7.3 – Rate Schedule ITS-1; Part 7.4 – Rate Schedule ITS-1 (LAT-1); Part 7.5 – Rate Schedule PAL; and Part 7.5.1 – Rate Schedule PAL – Exhibit A.

Effective Date

North Baja respectfully requests that the Commission accept the tariff sections, included herein as Appendix A, to become effective October 1, 2026.

Other Filings Which May Affect This Proceeding

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

Contents of Filing

In accordance with Section 154.7 of the Commission's Regulations, North Baja is submitting the following via its electronic tariff filing:

1. This transmittal letter;
2. A clean version of the tariff sections (Appendix A); and
3. A marked version of the tariff sections (Appendix B).

Certificate of Service

As required by Sections 154.502(2), 154.7(b) and 154.208 of the Commission's regulations, a copy of this filing is being served upon all of North Baja's existing customers and interested state regulatory agencies. A copy of this letter, together with any attachments, is available during regular business hours for public inspection at North Baja's principal place of business.

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

Respectfully submitted,

NORTH BAJA PIPELINE, LLC

Kelly K. Griffin

Kelly Griffin
Director, Rates and Regulatory

Enclosures

Appendix A

North Baja Pipeline, LLC
FERC Gas Tariff, First Revised Volume No. 1

Clean Tariff

Tariff Sections		Version
	Tariff, First Revised Volume No. 1, Title Page	v.3.0.0
1	Part 1, Table of Contents	v.10.0.0
3	Part 3, Maps	v.4.0.0
4.1	Statement of Rates, FTS-1, ITS-1, PAL Rates & ACA Surcharge	v.5.0.0
4.2.1	Statement of Rates, Negotiated Rate Agreements – Rate Schedule FTS-1	v.12.0.0
4.2.2	Statement of Rates, Explanatory Footnotes for Negotiated Rates – FTS-1	v.12.0.0
4.3	Statement of Rates, Non-Conforming Service Agreements	v.7.0.0
5	Part 5, Rate Schedules	v.2.0.0
5.1.3	Rate Schedule FTS-1, Rates	v.4.0.0
5.2.3	Rate Schedule ITS-1, Rates	v.5.0.0
5.3	Rate Schedules, Rate Schedule PAL	v.2.0.0
5.3.1	Rate Schedule PAL, Availability	v.2.0.0
5.3.2	Rate Schedule PAL, Applicability and Character of Service	v.3.0.0
5.3.3	Rate Schedule PAL, Rates	v.2.0.0
5.3.4	Rate Schedule PAL, Operational Requirements of NBP	v.3.0.0
5.3.5	Rate Schedule PAL, Commission and Other Regulatory Fees	v.2.0.0
5.3.6	Rate Schedule PAL, General Terms and Conditions of Service	v.2.0.0
6.1	GT&C, Definitions	v.6.0.0
6.8.1	GT&C, Firm Transportation Service	v.4.0.0
6.8.6	GT&C, Electronic Transportation Service	v.0.0.0
6.9.1	GT&C, Open Seasons for Existing Capacity	v.3.0.0
6.12.1	GT&C, Creditworthiness for Firm Transportation Service	v.3.0.0
6.12.5	GT&C, Creditworthiness for Lending Service	v.3.0.0
6.16.2	GT&C, Actual Delivered Qty. Exceeds Actual Confirmed Receipt Qty.	v.2.0.0

6.16.3	GT&C, Actual Confirmed Receipt Qty. Exceeds Actual Delivered Qty.	v.2.0.0
6.18.3	GT&C, OFO Notice Procedures	v. 3.0.0
6.18.5	GT&C, Failure to Comply with OFO	v.3.0.0
6.19.1	GT&C, Eligibility to Release	v.4.0.0
6.22	GT&C, Flexible Receipt and Delivery Points	v.3.0.0
6.36	GT&C, Electronic Communications	v.3.0.0
6.40	GT&C, NAESB WGQ Standards	v.10.0.0
7.1	Service Agmts, Rate Schedule FTS-1	v.7.0.0
7.1.1	Service Agmts, Rate Schedule FTS-1 – Exhibit A	v.3.0.0
7.2	Service Agmts, Rate Schedule FTS-1 (LAT-1)	v.7.0.0
7.2.1	Service Agmts, Rate Schedule FTS-1 (LAT-1) – Exhibit A	v.4.0.0
7.3	Service Agmts, Rate Schedule ITS-1	v.7.0.0
7.4	Service Agmts, Rate Schedule ITS-1 (LAT-1)	v.7.0.0
7.5	Service Agmts, Rate Schedule PAL	v.7.0.0
7.5.1	Service Agmts, Rate Schedule PAL – Exhibit A	v.3.0.0

FERC GAS TARIFF

FIRST REVISED VOLUME NO. 1

OF

NORTH BAJA PIPELINE, LLC

FILED WITH THE

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning This Tariff
Should Be Addressed To:

Sorana Linder
Vice President, Rates & Regulatory
North Baja Pipeline, LLC
Mailing Address: P.O. Box 2446
Houston, TX 77252-2446
Courier Address: 700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Phone: (832) 320-5209

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Non-conforming Agreements with Negotiated Rates

The currently effective system map is available on NBP's Internet website at

ebb.tceconnects.com/infopost/Documents.aspx?Folder=%5C%5Cbaja%5C%5Cmaps.

STATEMENT OF EFFECTIVE RATES AND CHARGES

Rate Schedule	Maximum Rate per Dth	Minimum Rate per Dth
Rate Schedule FTS-1		
1. Capacity Reservation Rate per Month per Dth of MDQ	$3.56657	$0.00000
2. Commodity Rate per Dth	$0.00066	$0.00066
3. Fuel	0.8500%	0.0000%
Maximum FTS-1 Volumetric Capacity Release Rate /1	$0.11791	
FTS-1 Lateral Rate Schedule:		
LAT-1		
1. Capacity Reservation Rate per Month per Dth of MDQ	$2.67386	$0.00000
2. Commodity Rate per Dth	$0.00000	$0.00000
3. Fuel	0.0000%	0.0000%
Maximum LAT-1 Volumetric Capacity Release Rate /1	$0.08791	
Rate Schedule ITS-1		
1. Commodity Rate per Dth	$0.11791	$0.00000
2. Fuel	0.8500%	0.0000%
ITS-1 Lateral Rate Schedule:		
LAT-1		
1. Commodity Rate per Dth	$0.08791	$0.00000
2. Fuel	0.0000%	0.0000%
Rate Schedule PAL		
1. Account Balance Charge	$0.11791	$0.00000
ACA Surcharge /2		
1. Commodity Rate per Dth	/3	/3

Notes:

/1 The Maximum Rate does not apply to capacity release transactions of one (1) year or less.

/2 In accordance with Section 6.37 of the General Terms and Conditions of Service of this FERC Gas Tariff, all Transportation that involves the physical movement of gas shall pay an ACA unit adjustment as set forth in effective Section 4.1. This adjustment shall be in addition to the Base Tariff Rate(s) specified above.

/3 The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.

STATEMENT OF EFFECTIVE RATES AND CHARGES

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE FTS-1

SHIPPER		TERM OF CONTRACT	DTH/D	PRIMARY RECEIPT POINT	PRIMARY DELIVERY POINT	RATE /2
Energia Azteca X, S. de R.L. de C.V.	/1	09/01/02 - 03/31/28	135,000	Ehrenberg	US-Mexico Border	/5
Energia de Baja California, S. S. de R.L. de C.V.	/1	09/01/02 - 03/31/28	37,000	Ehrenberg	US-Mexico Border	/6
Arizona Public Service Company (LAT-1 Service)	/1	03/13/10 - 03/12/35	24,000	US-Mexico Border at Yuma, AZ in the vicinity of County 10th Street	Yucca Power Plant, Yuma, Arizona	/12
Arizona Public Service Company	/1	03/13/10 - 03/12/35	11,000	Ehrenberg	US-Mexico Border	/13
Sempra LNG Marketing Corp.	/1	7/1/08 - 2/29/28	125,000	Ehrenberg	Ogilby	/4
Sempra LNG Marketing Corp.	/8	07/01/08 - 02/14/28	85,000	US-Mexico Border	SoCalGas	/4
Imperial Irrigation District	/1	04/01/11 - 03/31/31	18,500	Ehrenberg	US-Mexico Border	/9
Sempra LNG Marketing, LLC	/1	03/01/19 - 04/30/28	100,000	Ehrenberg	Ogilby	/3
Sempra LNG International, LLC	/1	06/01/19 02/29/28	63,670	Ehrenberg	Ogilby	/11

Sempra Gas & Power Marketing	/1	06/01/23 - 05/31/43	495,000	Ehrenberg	Ogilby	/14
Saavi Energy Solutions, LLC	/1	02/01/26 – 01/31/27	135,000	Ehrenberg	Ogilby	/15
Saavi Energy Solutions, LLC	/1	02/01/26 – 01/31/27	37,000	Ehrenberg	Ogilby	/15

Explanatory Footnotes for Negotiated Rates
Under Rate Schedule FTS-1

1/ This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.

2/ Unless otherwise noted, all Shippers pay North Baja Pipeline, LLC's maximum Reservation Charge, Delivery Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.

3/ Shipper shall pay a fixed monthly reservation rate equal to $0.11/Dth times 30.4 days for each month, as well as all maximum applicable commodity rates, and all reservation and commodity surcharges, including but not limited to fuel retention rates, under Rate Schedule FTS-1.

4/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1237 times 30.4 days for each month, times the Maximum Daily Quantity, plus a volumetric rate of $0.0038 per Dth, plus, fuel, line loss and unaccounted for gas as set forth in the Tariff and any and all applicable surcharges. This rate shall be fixed for the term of this Agreement.

5/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1019 times 30.4 days for each month, plus a delivery rate of $0.0031 per Dth, plus ACA. Shipper shall reimburse Transporter for fuel, line loss, and other unaccounted for gas in kind at a rate of 0.7%. This rate shall be fixed for the term of this Agreement.

Rate Protection Provision:

(1) This provision applies only to gas that is delivered to NBP at Ehrenberg, AZ. To the extent NBP and Gasoducto Rosarito ("GR") separately provide long-term (greater than 364 days) firm transportation service to a Third Party Shipper in the Western Zone at a combined rate that is lower than $0.270 per Dth on a 100% load factor basis (excluding non-pipeline surcharges), or in the Mexicali Zone at a combined rate that is lower than $0.245 per Dth, then the rate applicable to Shipper for service on NBP shall be reduced in accordance with the following formula:

NR = OR - ((CTR - TPR) x 0.4286)

Where: NR = New Rate level at which Shipper will receive service on NBP. Resulting unit rate will be converted to a reservation/delivery structure where the delivery rate will equal three (3) percent of the NR;

OR = Shipper's negotiated Original Rate on NBP or $0.105 per Dth on a 100% load factor basis;

CTR = Competitive Threshold Rate which is $0.270 per Dth for the Western

Zone and \$0.245 per Dth for the Mexicali Zone; and
TPR = Third Party Rate for the combined NBP and GR path.

The Western Zone is defined as 115 degrees, 41 minutes, 21 seconds west longitude, west to the interconnection with Transportadora de Gas Natural de Baja California;

The Mexicali Zone is defined as 115 degrees, 41 minutes, 21 seconds, east to 115 degrees, 11 minutes, 50 seconds west longitude;

A Third Party Shipper is defined as a shipper that is either the owner, operator, or fuel supplier to electric generation facilities, or affiliates of NBP or GR.

(2) This provision applies only to the portion of capacity held by Shipper in excess of 90,000 Dth.

(3) The New Rate shall only apply for the duration of the term of service provided to the Third Party Shipper, but in no event shall apply beyond the term of this rate protection provision.

(4) This provision terminates December 31, 2017. If the capacity held by Shipper is permanently assigned or released to a similarly-situated replacement shipper, the rate protection provision shall be extended to such replacement shipper.

6/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to \$0.1019 times 30.4 days for each month, plus a delivery rate of \$0.0031 per Dth, plus ACA. Shipper shall reimburse Transporter for fuel, line loss, and other unaccounted for gas in kind at a rate of 0.7%. This rate shall be fixed for the term of this Agreement.

Rate Protection Provision:

(1) This provision applies only to gas that is delivered to NBP at Ehrenberg, AZ. To the extent NBP and Gasoducto Rosarito ("GR") separately provide long-term (greater than 364 days) firm transportation service to a Third Party Shipper in the Western Zone at a combined rate that is lower than \$0.270 per Dth on a 100% load factor basis (excluding non-pipeline surcharges), or in the Mexicali Zone at a combined rate that is lower than \$0.245 per Dth, then the rate applicable to Shipper for service on NBP shall be reduced in accordance with the following formula:

NR = OR - ((CTR - TPR) x 0.4286)

Where: NR = New Rate level at which Shipper will receive service on NBP. Resulting unit rate will be converted to a reservation/delivery structure where the delivery rate will equal three (3) percent of the NR;

OR = Shipper's negotiated Original Rate on NBP or $0.105 per Dth on a 100% load factor basis;
CTR = Competitive Threshold Rate which is $0.270 per Dth for the Western Zone and $0.245 per Dth for the Mexicali Zone; and
TPR = Third Party Rate for the combined NBP and GR path.

The Western Zone is defined as 115 degrees, 41 minutes, 21 seconds west longitude, west to the interconnection with Transportadora de Gas Natural de Baja California;

The Mexicali Zone is defined as 115 degrees, 41 minutes, 21 seconds, east to 115 degrees, 11 minutes, 50 seconds west longitude;

A Third Party Shipper is defined as a shipper that is either the owner, operator, or fuel supplier to electric generation facilities, or affiliates of NBP or GR.

(2) The New Rate shall only apply for the duration of the term of service provided to the Third Party Shipper, but in no event shall apply beyond the term of this rate protection provision.

(3) This provision terminates December 31, 2017. If the capacity held by Shipper is permanently assigned or released to a similarly-situated replacement shipper, the rate protection provision shall be extended to such replacement shipper.

7/ Reserved for Future Use.

8/ This contract contains terms that materially deviate from the Form of Service Agreement in this Tariff. This contract has been filed with the FERC.

9/ The transportation rate for the Transportation Service is a negotiated rate consisting of a monthly reservation fee of US (67,532.40) which is $0.12 times 30.42 days for each month, times the Maximum Daily Quantity, plus a volumetric rate of US $0.00066 per Dth plus fuel and line loss and unaccounted for gas as set forth in the Tariff and any and all applicable surcharges.

10/ Reserved for Future Use.

11/ The transportation rate under this Agreement is a fixed monthly reservation rate equal to $0.092 per dekatherm times 30.4 days for each month, as well as all maximum applicable commodity rates, and all reservation and commodity surcharges.

12/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation charge of $2.67386 per Dth. Third Party Charge. In accordance with NBP's Tariff Section 6.6.3, for transportation service on the Mexico portion of the Yuma Lateral (also called the GB-Algodones Lateral), Shipper shall pay NBP a Third Party Charge at a

Negotiated rate of US $0.07/Dth/day. Unless the percentages are otherwise modified by the Energy Regulatory Commission of Mexico (Comision Reguladora de Energia), the Third Party charges shall consist of a monthly reservation fee of 98% of the total US $0.07/Dth rate times 30.42 days in each month times the MDQ specified in Exhibit A, plus a volumetric rate of 2% of the total US $0.07/dth rate for gas shipped plus any fuel and line loss and unaccounted for gas and any applicable surcharges and taxes.

13/ The transportation rate under this Agreement is a fixed negotiated rate of $3.56657, times the Maximum Daily Quantity.

14/ The transportation rate under this Agreement for volumes at the Primary Receipt Point and the Primary Delivery Point is a fixed monthly reservation rate of $0.0943 per dekatherm per day, as well as all maximum applicable commodity rates, and all reservation and commodity surcharges, plus ACA charge for the term of this Agreement

15/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1019 times 30.4 days for each month, plus a delivery rate of $0.0031 per Dth , plus ACA. Shipper shall reimburse Transporter for fuel, line loss, and other unaccounted for gas in kind at a rate of 0.7%. This rate shall be fixed for the term of this Agreement.

NON-CONFORMING SERVICE AGREEMENTS
PURSUANT TO § 154.112(b)

Name of Shipper/Contract No.	Rate Schedule	Agreement Date	Effective Date
SEFE Marketing & Trading USA Inc. #A025F1	FTS-1	9/12/09	2/24/23
Sempra LNG Marketing Corp. #A016F3	FTS-1	6/25/08	7/1/08
Sempra Gas & Power Marketing, LLC #125154-1	FTS-1	5/31/23	6/1/23

RATE SCHEDULES

5.1.3 RATES

Shipper shall pay NBP each month the sum of the Reservation Charge, the Commodity Charge, plus any applicable Overrun Charge or surcharge for the quantities of natural gas delivered. The rate(s) set forth in NBP's Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, First Revised Volume No. 1 are applied to transportation service rendered under this rate schedule.

1. Reservation Charge.

   The Reservation Charge shall be the Shipper's Maximum Daily Quantity multiplied by the Reservation Rate for service under this Rate Schedule as set forth in effective Section 4.1.

2. Commodity Charge.

   The Commodity Charge shall be the product of the quantities of gas delivered in the month (in Dth) and the Commodity Rate as set forth in effective Section 4.1.

3. Applicability of Surcharges.

   Shipper shall pay all reservation and usage surcharges applicable to the service provided to such Shipper as set forth in NBP's FERC Gas Tariff, First Revised Volume No. 1; such surcharges shall be deemed to be part of Shipper's Reservation and Commodity Charges.

4. Discounted Rates.

   Shipper shall pay the Maximum Reservation Charge and the Maximum Commodity Charge for service under this Rate Schedule unless NBP offers to discount the Reservation Rate, the Commodity Rate or any discountable surcharges. If NBP elects to discount any such rate, NBP shall, by written notice, advise Shipper of the effective date of such charges and the quantity of gas so affected; provided, however, such discount shall not be anti-competitive or unduly discriminatory between individual shippers.

5. Negotiated Rates.

   Notwithstanding any provision of NBP's Tariff to the contrary, NBP 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 NBP's Tariff.

6. Backhauls.

Backhauls (as defined in Section 6.1 paragraph 2 of the General Terms and Conditions of Service) shall be subject to the same charges as forward haul (as defined in Section 6.1 paragraph 14 of the General Terms and Conditions of Service) except that no gas shall be retained by NBP for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

7. Capacity Release.

(a) Releasing Shippers:

Shipper shall have the option to release capacity pursuant to the provisions of NBP's capacity release program as specified in the General Terms and Conditions of Service. Shipper may release its capacity, up to Shipper's MDQ under this rate schedule, in accordance with the provisions of Section 6.19 of NBP's General Terms and Conditions of Service of this FERC Gas Tariff, First Revised Volume No. 1. Shipper shall pay a fee associated with the marketing of capacity by NBP (if applicable) in accordance with Section 6.19 of the General Terms and Conditions of Service. This fee shall be negotiated between NBP and the Releasing Shipper. A Shipper that releases capacity on a temporary basis remains liable for the payment of all rates and fees incurred under such service that are not paid by the Replacement Shipper.

(b) Replacement Shippers:

Shipper may receive released capacity service under this rate schedule pursuant to Section 6.19 of the General Terms and Conditions of Service and is required to execute a service agreement in the form contained for capacity release under Rate Schedule FTS-1 in this FERC Gas Tariff, First Revised Volume No. 1.

Shipper shall pay NBP each month for transportation service under this rate schedule and as set forth in NBP's current Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, First Revised Volume No. 1. Charges to be paid shall be the sum of the Reservation Charge, Commodity Charge, and other applicable surcharges or penalties.

5.2.3 RATES

1. Commodity Rates.

Shipper shall pay NBP, each month, for the transportation of quantities of natural gas delivered, the Commodity Charge, plus any applicable surcharges. The rate(s) set forth under Rate Schedule ITS-1 in NBP's current Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, First Revised Volume No. 1 are applied to interruptible transportation service rendered under this rate schedule.

2. Applicability of Surcharges.

Shipper shall pay all surcharges applicable to the service provided to Shipper as set forth in NBP's FERC Gas Tariff. Such surcharges shall be deemed to be part of Shipper's Commodity Charge.

3. Discounted Rates.

Shipper shall pay the Maximum Commodity Rate for service under this rate schedule unless NBP offers to discount its rate to Shipper under this rate schedule. If NBP elects to discount its rate, NBP shall advise Shipper of the effective date of such charge and the quantity of gas so affected, provided, however, such discount shall not be anti-competitive or unduly discriminatory between individual Shippers. The rate for service under this rate schedule shall not be discounted below the Minimum Commodity Rate set forth on the Statement of Effective Rates and Charges for Transportation of Natural Gas.

4. Negotiated Rates.

Notwithstanding any provision of NBP's Tariff to the contrary, NBP 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 NBP's Tariff.

5. Backhauls.

Backhauls (as defined in Section 6.1 paragraph 2 of the General Terms and Conditions of Service) shall be subject to the same charges as forward haul (as defined in Section 6.1 paragraph 14 of the General Terms and Conditions of Service) except that no gas shall be retained by NBP for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

RATE SCHEDULE PAL
PARKING AND LENDING SERVICE

5.3.1 AVAILABILITY

This Rate Schedule is available to any party (hereinafter called "Shipper") for the parking and lending of gas from NBP, subject to the following limitations:

1. NBP has determined that it is operationally able to render such service; and

2. Shipper and NBP have executed a PAL Service Agreement.

5.3.2 APPLICABILITY AND CHARACTER OF SERVICE

1. This Rate Schedule shall apply to service, which is rendered by NBP for Shipper pursuant to an executed PAL Service Agreement under this Rate Schedule.

2. Service under this Rate Schedule shall consist of either parking or lending of Gas during any Day or part thereof. Service rendered by NBP under this Rate Schedule shall be interruptible and shall consist of:

   (a) Parking Service. Parking Service is an interruptible service which provides for (1) the receipt by NBP of Gas quantities delivered by Shipper to the Point(s) of Service agreed to by NBP and Shipper for receipt of parked quantities; (2) NBP holding the parked quantities on NBP's pipeline system; and (3) return of the parked quantities to Shipper at the agreed upon time and at the same Point(s) or other mutually agreed upon Point(s), provided, however, that NBP is not obligated to return parked quantities on the same Day and at the same Point the Gas is parked.

   (b) Lending Service. Lending Service is an interruptible service which provides for (1) Shipper receiving Gas quantities from NBP at the Point(s) of Service agreed to by NBP and Shipper for delivery of loaned quantities of Gas; and (2) the subsequent return of the loaned quantities of Gas to NBP at the agreed upon time and at the same Point(s) or mutually agreed upon Point(s), provided, however, that NBP is not obligated to accept return of loaned Gas on the same Day and at the same Point the Gas is loaned.

   (c) If the Shipper and NBP agree that Shipper may receive parked quantities or return loaned quantities at Point(s) other than the Point(s) of the park or loan, then Shipper and NBP shall enter into a separate Transportation Agreement(s) to effectuate receipt or delivery of Gas from or to the new Point(s).

3. Service rendered under this Rate Schedule shall be provided for a minimum of a one (1) Day term. The term shall be set forth on the Agreement executed between Shipper and NBP.

4. Transportation of Gas quantities for or on behalf of Shipper to or from the designated Point(s) of Service under the Transportation Agreement shall not be performed under this Rate Schedule. Shipper shall make any necessary arrangements with NBP and/or third parties to receive or deliver Gas quantities at the designated Points of Service for Parking or Lending Service hereunder.

5. Services rendered under this Rate Schedule shall be interruptible and subject to available capacity.

5.3.3 RATES

Each Month Shipper shall pay to NBP the following charges for service under this PAL Rate Schedule:

1. Commodity Charges.

    (a) An Account Balance Charge, as stated in Section 4.1, which shall be paid for each Dekatherm of Gas parked or loaned at each Point of Service by NBP for or on behalf of the account of Shipper at the end of any Day during the Month;

    (b) Other Applicable Charges or Surcharges. All other applicable surcharges or charges, as stated in Section 4.1 multiplied by each Dekatherm of Gas delivered.

2. Fuel: Shipper shall not be required to furnish fuel for service under this Rate Schedule.

3. Third Party Charges: Shippers will be responsible for delivering their Gas into and receiving their Gas from NBP's facilities. If the Shipper requests, NBP may contract with Third Parties in order to transport or store the Shipper's Gas on Third Party facilities. In that event, the Shipper will reimburse NBP for all charges NBP is billed by the Third Party as well as for the cost of fuel.

4. Negotiated Rates: Shipper and NBP may mutually agree, pursuant to the provisions of Section 6.24 of the General Terms and Conditions of Service, to a negotiated rate, which rate shall be less than, equal to, or greater than NBP's Maximum Rate. Such rates may be based upon a rate design other than Straight Fixed Variable (SFV). Such negotiated rate shall be set forth in the executed PAL Service Agreement, and in NBP's FERC Gas Tariff.

5.3.4 OPERATIONAL REQUIREMENTS OF NBP

1. Shipper may be required, upon notification from NBP, to cease or reduce deliveries to, or receipts from, NBP hereunder within a Day consistent with NBP's operating requirements. Further, Shipper may be required to return loaned quantities or remove parked quantities upon notification by NBP. Such notification shall at a minimum be provided by posting on NBP's Internet website, and may also be provided by other means of communication. NBP's notification shall specify the timeframe within which parked quantities shall be removed and/or loaned quantities shall be returned, consistent with NBP's operating conditions, but in no event shall the specified time be sooner than the next day after NBP's notification, subject to the following conditions:

   (a) In the event that the specified time for removal or return of Gas quantities is the next Day, the timeframe for required removal or return shall begin from the time that Shipper receives notice from NBP. Notices provided after business hours for the next Day will be provided to Shipper via electronic communication. In the event that Shipper makes a timely and valid nomination in response to notification by NBP to remove parked quantities and/or return loaned quantities, Shipper shall be deemed to have complied with NBP's notification; and

   (b) Unless otherwise agreed by Shipper and NBP: (i) any parked quantity not nominated for removal within a timeframe specified by NBP's notice shall become the property of NBP at no cost to NBP free and clear of any adverse claims; (ii) any loaned quantity not returned within the timeframe specified by NBP's notice shall be sold to Shipper at one hundred and fifty percent (150%) of the average weekly price of gas as calculated in Section 5.3.4 paragraph 3 below.

2. In the event parked quantities remain in NBP's Pipeline System and/or loaned quantities have not been returned to NBP's Pipeline System at the expiration of any Agreement executed by Shipper and NBP, NBP and Shipper may mutually agree to an extended timeframe and/or modified terms, including the rate, of such Agreement. In the event that Shipper and NBP are unable to come to such Agreement, NBP shall notify Shipper, and Shipper shall nominate for removal of the parked quantities and/or return of the loaned quantities within the timeframe specified in NBP's notice, which in no instance shall be less than one (1) Day. Any parked quantity not nominated for removal within the timeframe specified by NBP's notice shall become the property of NBP at no cost to NBP, free and clear of any adverse claims. Any loaned quantities not nominated to be returned within the time frame specified by NBP's notice shall be sold to Shipper at one hundred and fifty percent (150%) of the average weekly price of gas as calculated in Section 5.3.4 paragraph 3 below.

3. The price of gas will be equal to the SoCal Gas average weekly price as reported in Gas Daily (Daily Price Survey).

4. All penalties assessed and the value of all gas confiscated pursuant to the terms of this Section 5.3.4 shall be credited back, net of costs, to all Shippers in accordance with Section 6.16.4 of the General Terms and Conditions of Service of this FERC Gas Tariff.

5.3.5 COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse NBP for any separately stated fees required by the Commission or any other federal or any state regulatory body.

5.3.6 GENERAL TERMS AND CONDITIONS OF SERVICE

All of the General Terms and Conditions of Service except Section 6.37 are applicable to this rate schedule, unless otherwise stated in the executed PAL Service Agreement between NBP and Shipper. Any future modifications, additions or deletions to said General Terms and Conditions of Service, unless otherwise provided, are applicable to parking and lending service rendered under this rate schedule, and by this reference, are made a part hereof.

6.1. DEFINITIONS

1. Asset Manager: A party that agrees to manage gas supply and delivery arrangements, including transportation and storage capacity, for another party. The asset manager uses released capacity to serve the gas supply requirements of the releasing shipper and, when the capacity is not needed for that purpose, uses the capacity to make releases or bundled sales to third parties.

2. Backhaul: Transportation service on NBP's system in the opposite direction of a Forward Haul as defined in Section 6.1 paragraph 14 below.

3. Bid Period: The period of time during which a Replacement Shipper may bid to contract for a parcel which has been posted for release by a Releasing Shipper.

4. Bid Reconciliation Period: The period of time subsequent to the Bid Period during which bids are evaluated by NBP.

5. Btu: The term "Btu" shall mean British Thermal Unit. The term "MMBtu" shall mean one million (1,000,000) British Thermal Units. The reporting basis for Btu shall be standardized as 14.73 dry psia and 60 degrees (60°) Fahrenheit (101.325 kPa and 15.6 degrees C).

6. Business Day: The term "Business Day" shall mean Monday through Friday, excluding U.S. Federal Banking Holidays for transactions in the United States and similar holidays for transactions occurring in Canada and Mexico.

7. Cash Out Index Price: The price calculated as the average "SoCal Gas" price, as reported in Gas Daily's Daily Price Survey, for the month in which an imbalance occurs.

8. Commission: The Federal Energy Regulatory Commission.

9. Cubic Foot of Gas: The term "cubic foot of gas" is defined in accordance with NAESB Standard 2.3.9, as that quantity of gas which measures one (1) cubic foot at standard conditions of 14.73 psia at 60 degrees F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa at 15 degrees C and dry. Standard 2.3.9, states in full "Standardize the reporting basis for Btu as 14.73 psia at 60 degrees F (101.325 kPa at 15 degrees C) and dry. Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm2 at 15.6 degrees C and dry. Standardize the reporting basis for gas volumes as cubic foot at standard conditions of 14.73 psia, 60 degrees, F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C, and dry."

NAESB WGQ takes no position on the basis upon which transactions are communicated to trading partners and/or regulatory agencies, as applicable, nor does NAESB WGQ state whether transactions may take place between parties on a volumetric basis.

10. Dekatherm: The term "Dekatherm" or "Dth" is the quantity of heat energy equivalent to one million (1,000,000) British Thermal Units (MMBtu). Dth is the standard quantity for Nominations, Confirmations and Scheduled Quantities in the United States. For purposes of this tariff and associated Service Agreements, the terms MMBtu and Dth are synonymous.

11. Energy Affiliate: The term "Energy Affiliate" shall have the meaning provided in Commission Order No. 2004, et seq.

12. Existing Capacity: Capacity that has been in-service beyond the initial terms of Agreements that originally supported the construction of such capacity. Existing Capacity additionally includes capacity that is still within such initial terms where Shipper Agreements pertaining to the capacity have been terminated by the pipeline. Existing Capacity additionally includes unsubscribed capacity created as part of a pipeline expansion project.

13. Expansion Capacity: Original system capacity or capacity that is added to the pipeline system as part of a system expansion project where such capacity is still within the initial contract term(s) of the Agreement(s) that originally supported the construction of such capacity. Expansion Capacity includes permanent releases of capacity that are within the initial term of an original Shipper's contract.

14. Forward Haul: The term "Forward Haul" shall refer to transportation service on NBP's system in which the nominated direction of flow from receipt point to delivery point is in the same direction as physical gas flow on the NBP system.

15. Gas: The word "gas" shall mean natural gas.

16. Gas Day: In accordance with NAESB Standard 1.3.1, the term "Gas Day" shall mean 9:00 a.m. to 9:00 a.m. Central Clock Time (7:00 a.m. to 7:00 a.m. Pacific Clock Time).

17. Gross Heating Value: The term "gross heating value" shall mean the number of Btus in a cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit, saturated with water vapor, and at an absolute pressure equivalent to thirty (30) inches of mercury at thirty-two degrees (32°) Fahrenheit.

18. Internet website: The term "Internet website" shall mean NBP's electronic communication system which shall be available to any Shipper and found at https://ebb.tceconnects.com/infopost/.

19. Intraday Nomination: A Nomination submitted after the Nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of the Gas Day.

20. Match Period: The period of time subsequent to the Bid Reconciliation Period and before the notification deadline for awarding capacity for Prearranged Deals that require bidding. During this period the Prearranged Shipper may match any higher bids for the Parcel.

21. Maximum Daily Quantity: The term "Maximum Daily Quantity" or "MDQ" shall mean the maximum daily quantity in Dth of gas which NBP agrees to deliver exclusive of an allowance for compressor station fuel, line loss and other unaccounted for gas and transport for the account of Shipper to Shipper's point(s) of delivery on each day during the term of Shipper's Transportation Service Agreement with NBP.

22. Mcf: The term "Mcf" shall mean one thousand (1,000) cubic feet of gas and shall be measured as set forth in Section 6.4 hereof. The term "MMcf" shall mean one million (1,000,000) cubic feet of gas.

23. Month: The word "month" shall mean a period extending from the beginning of the first day in a calendar month to the beginning of the first day in the next succeeding calendar month.

24. Negotiated Rate: A rate (including a Negotiated Rate Formula) that NBP and a Shipper have agreed will be charged for service under Rate Schedules FTS-1, ITS-1, or PAL where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or be less than the minimum rate, for such component set forth in NBP's tariff for the given service. Any Agreement entered into after the effective date of this subsection which provides for a rate under Rate Schedules FTS-1, ITS-1, PAL other than the applicable maximum rate shall contain a provision setting out the mutual agreement of the parties as to whether the pricing terms represent a discounted rate or a negotiated rate.

25. Negotiated Rate Formula: A rate formula that NBP and a Shipper have agreed will apply to service under a specific contract under Rate Schedules FTS-1, ITS-1, PAL which results in a rate where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or may be

less than the minimum rate, for such component set forth in NBP's Tariff for the given service.

26. Nomination: The provision of information to NBP necessary to effectuate a transportation transaction. Specific Nomination procedures are set forth in Section 6.14 of these General Terms and Conditions of Service.

27. North American Energy Standards Board Standards: The term "North American Energy Standards Boards Standards" or "NAESB Standards" shall mean the standardized business practices and electronic communication practices promulgated by the North American Energy Standards Board from time to time and incorporated in the Code of Federal Regulations by the Federal Energy Regulatory Commission.

28. Parcel: The term utilized to describe an amount of capacity, expressed in Dth/d, from a specific receipt point to a specific delivery point for a specific period of time which is released and bid on pursuant to the capacity release provisions contained in Section 6.19 of these General Terms and Conditions of Service.

29. Posting Period: The period of time during which a Releasing Shipper may post, or have posted by the pipeline, all or a part of its service for release to a Replacement Shipper.

30. Primary Path: The transportation path established by the receipt and delivery points as set forth in Shipper's executed Service Agreement. A Shipper's Primary Path may be either a Forward Haul or a Backhaul as defined in Section 6.1 paragraphs 2 and 14 above.

31. Primary Release: The term used to describe the initial release of capacity by a Shipper to a Replacement Shipper.

32. Psig: The term "psig" shall mean pounds per square inch gauge.

33. Recourse Rate: The term “Recourse Rate” shall mean the applicable maximum rate that would apply to each respective Rate Schedule as set forth in the Statement of Rates of this FERC Gas Tariff.

34. Release Term: The period of time during which a Releasing Shipper intends to release, or has released all or a portion of its contracted quantity of service to a Replacement Shipper.

35. Releasing Shipper: A firm transportation Shipper that intends to post its service to be released to a Replacement Shipper, has posted the service for release, or has released its service.

36. Replacement Shipper: A Shipper that has contracted to utilize a Releasing Shipper's service for a specified period of time.

37. Reverse Path: The transportation path that is in the opposite direction of that Shipper's Primary Path as defined in Section 6.1 paragraph 30 above. A Shipper's Reverse Path may be either a Forward Haul or a Backhaul as defined in Section 6.1 paragraphs 2 and 14 above. Reverse Path transactions rely upon secondary point rights and are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

38. Secondary Release: The term used to describe the release of capacity by a Replacement Shipper to a different Replacement Shipper.

6.8.1 Firm Transportation Service.

The provisions of this Section 6.8.1 shall be applicable to firm transportation service under Rate Schedule FTS-1 contained in this FERC Gas Tariff, First Revised Volume No. 1.

Firm transportation service under this Tariff shall be provided when, and to the extent that, NBP determines that firm capacity is available on NBP's existing facilities. NBP shall not be required to provide firm transportation service in the event firm capacity is unavailable or to construct new facilities to provide firm service.

A shipper receiving service under Rate Schedule FTS-1 that maintains compliance with NBP's creditworthiness requirements may renew or extend its contract term pursuant to a rollover or evergreen provision of the Service Agreement. NBP will offer rollover or evergreen provisions to similarly situated shippers on a nondiscriminatory basis.

(a) Available Firm Capacity.

NBP shall post available capacity on its Internet website. Capacity that becomes available may be sold on a first-come, first-served basis or may be subject to an open season bidding process.

When posted available firm capacity is not subject to an open season bidding process, requests for such capacity that reflect continuous service at a constant contract quantity for the entire term of service at the maximum rate will be honored on a first-come, first-served basis, if such requests for capacity fall within the following timelines:

Requested Service Term	Service Commencement Date
1 Year or Longer	6 Months from Service Request
> 92 Days but < 1 Year	30 Days from Service Request
<= 92 Days	5 Days from Service Request

NBP may agree, but is not obligated, to sell firm capacity outside of these timelines on a not unduly discriminatory basis including, but not limited to, capacity sales as set forth in Section 6.8.1(b) and (c) of these General Terms and Conditions of Service.

(b) Future Sales of Capacity.

NBP may sell firm capacity with service commencement dates more than one year in the future, when such capacity is either available unsubscribed capacity or capacity that will become available and is not subject to a right of first refusal or unilateral evergreen provision, by either conducting an open season or by selling such capacity on a pre-arranged basis.

If NBP conducts an open season, it will post notice of the open season on its Internet website. The minimum bid period will be five (5) Business Days. Any potential shippers wishing to acquire capacity may request an immediate or future commencement date (if the capacity is currently available) or only a future commencement date (if the capacity will only become available in the future).

If NBP sells capacity on a pre-arranged basis, it will post the terms of the pre-arranged transaction and other parties will have an opportunity to bid on the capacity. At the time NBP enters into a pre-arranged service agreement, NBP will post a notice on its Internet website indicating that the pre-arranged capacity will be subject to an open bidding process within three (3) Business Days, even if such capacity has already been subject to an open season bidding process and is currently posted as available capacity. If another party submits a bid with a higher incremental economic value, the pre-arranged Shipper will have a one-time right to match the higher bid in order to retain the capacity. If the pre-arranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the highest creditworthy bidder in accordance with Section 6.9.1(d). If there is an open season ongoing for certain capacity, NBP will not enter into a pre-arranged deal for that capacity during the open season.

NBP will separately identify on its Internet website all capacity that is anticipated to become available and is not subject to a right of first refusal or unilateral evergreen provision. NBP will not enter into any pre-arranged deals for capacity that has not previously been posted on its Internet website.

Capacity that is reserved pursuant to this Section 6.8.1(b) will be made available for transportation service on an interim basis up to the commencement date of the service agreement for the future capacity sale. For such interim service agreements, NBP reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

(c) Construction of New Firm Capacity.

In the event NBP receives requests for firm transportation service in excess of available firm capacity, or market circumstances otherwise indicate that additional capacity may be desired, NBP may construct facilities necessary to meet additional market demand. Prior to constructing new capacity, NBP shall hold an Open Season as set forth in Section 6.9 below to solicit Requests for Service utilizing capacity that may be constructed. NBP shall have no obligation to construct facilities if, in NBP's sole determination, such facilities are not economically justifiable.

(d) Reservation of Capacity for Expansion Projects.

1. Applicability.

NBP may elect to reserve, for future expansion projects, unsubscribed firm capacity or capacity under expiring or terminating firm transportation agreements where such agreements do not carry a right of first refusal, or evergreen right, or where Shipper does not exercise its right of first refusal, or where a party has elected termination under an evergreen.

2. Time Period.

Capacity may only be reserved for a future expansion project for which an open season has been held or will be held. Capacity may be reserved for up to one year prior to NBP filing for certificate approval for the proposed expansion, and thereafter until such expansion is placed into service.

3. Notice to Shipper.

Prior to reserving capacity for future expansion projects under this section, the subject capacity must have first been made available pursuant to Section 6.8.1(a) above. Capacity that remains available after the posting and bidding procedure outlined in Section 6.9 may be reserved by NBP by means of a posting on NBP's Internet website that shall include:

(a) A description of the expansion project for which the capacity will be reserved;

(b) The total quantity of capacity to be reserved;

(c) The location of the proposed reserved capacity on NBP's system;

(d) When NBP anticipates holding an open season or otherwise posting the capacity for bidding in connection with the expansion project;

(e) The projected in-service date of the expansion project; and

(f) On an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis.

4. Solicitation of Turnback Capacity.

If capacity that is reserved for an expansion project is insufficient to fully meet the needs of expansion shippers, the expansion open season posting will include a non-binding solicitation for turnback capacity from NBP's existing Shippers to serve the expansion project. NBP shall post, in the Informational Postings section of its Internet website, a non-binding solicitation for expansion project related turnback capacity no later than ninety (90) days after the close of an expansion project's open season specifying the minimum term for a response to the solicitation.

5. Interim Capacity.

Capacity that is reserved for a future expansion will be made available for transportation service on an interim basis up to the in-service date of the expansion project. For such interim service agreements, NBP reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. NBP will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

6. Reposting of Capacity.

Any capacity reserved for a project that does not go forward for any reason shall be reposted as generally available within thirty (30) days of the date the capacity becomes available.

6.8.6 Electronic Contracting Agreement

NBP and Shipper may, and when required by the Tariff shall, enter into new or amended Service Agreements or Capacity Release Agreements by electronic communications through NBP's Internet website. NBP and Shipper may also by mutual agreement enter into any other contract through electronic communications. Service Agreements, Capacity Release Agreements pursuant to Section 6.19 (Capacity Release) and other agreements are collectively referred to as "Contracts" in this Section 6.8.6. The execution of Contracts electronically shall be governed by the provisions of this Section 6.8.6 and the Electronic Contracting Agreement.

(a) Prerequisites.

Requestor shall not be eligible to enter into a Contract electronically until requestor has executed and submitted to NBP an Electronic Contracting Agreement in the form contained in NBP's Internet website.

(b) Documents Standards.

NBP and Shipper may, and when required by the Tariff shall, electronically transmit to or receive from the other party any of the electronic forms (including Contracts) listed by NBP, currently or in the future, on the Blank Forms posted on NBP's Internet website, (collectively "Documents"). Any transmission of data that is not a Document shall have no force or effect between the parties unless justifiably relied upon by the receiving party.

(c) Signatures.

NBP shall adopt as its signature an electronic identification, and NBP shall furnish to Subscriber one or more unique electronic identifications (User Identification and Password). The employee(s) or officer(s) designated by Subscriber in the Electronic Contracting Agreement or the ID Request Form shall perform the contracting function for Subscriber and thereby legally bind Subscriber to any Contract with NBP by use of that person's assigned User Identification and Password. By entering into the Electronic Contracting Agreement, Subscriber represents and warrants that (i) the employee(s) or officer(s) identified in the Electronic Contracting Agreement or the ID Request Form have been duly and legally authorized to enter into and execute Contracts electronically on behalf of Subscriber, and (ii) all other persons designated by Subscriber to receive a User Identification and Password have been duly authorized to send and receive Documents other than Contracts. The Signature of a party affixed to or contained in any transmitted Document shall be irrebuttable proof that such party originated such Document. Neither party shall disclose to any unauthorized person the Signatures of the other party.

(d) Security Procedures.

Each party shall be responsible for ensuring that all electronic executions with Signatures and all transmissions of Documents are authorized, and for protecting its business records and data from improper access. Parties shall be responsible for securing physical access to each of its computers utilizing NBP's Internet website software and for keeping confidential its User Identification(s) and Password(s). NBP reserves the right to invalidate any User Identification or Password if it suspects a security breach.

(e) Pro Forma Service Agreement.

When a party affixes its Signature to a Contract and transmits the Contract to NBP, it shall be bound, as applicable, by (i) the terms and conditions of the applicable pro forma Service Agreement contained in this Tariff corresponding to the Rate Schedule under which that party is seeking service, or (ii) the terms and conditions of any generally available, non-jurisdictional agreement or contract that is a Document. The date of NBP's acceptance of an executed and properly transmitted Contract shall be deemed to be the date of execution for purposes of the Contract. The effective date and term of the Contract shall be determined in accordance with the provisions of Section 6.8 of the General Terms and Conditions, but NBP shall not be obligated to provide service to Subscriber prior to the date of acceptance.

(f) Termination.

Except as stated in Section 6.8.6(d), the Electronic Contracting Agreement shall remain in effect until terminated by either party with at least 48 hours prior written notice, which notice shall specify the effective date of termination; provided that: (i) the effective date of termination shall not precede the termination of any electronic Service Agreement or Transaction; (ii) any termination shall not affect the respective obligations or rights of the parties arising under any electronic Service Agreement or Documents, or otherwise arising under this Section prior to the effective date of termination; and (iii) any such termination by NBP shall be only for due cause or upon the request of Shipper.

(g) Terms and Conditions of Electronic Contracting Agreement.

The terms and conditions set forth in this Section 6.8.6(g) shall apply to the Electronic Contracting Agreements entered into by NBP and Shippers.

(1) The Electronic Contracting Agreement shall be considered to be an integral part of any Contract heretofore or hereafter entered into between NBP and Shipper.

(2) Execution of the Electronic Contracting Agreement shall evidence the parties' manual intent to create binding contractual obligations by means of the electronic transmission and receipt of Documents.

(3) Any Document properly transmitted in connection with any Transaction, Contract, or Electronic Contracting Agreement that includes a Signature ("Signed Documents") shall be deemed for all purposes (i) to have been "signed" and (ii) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

(4) The conduct of the parties under an Electronic Contracting Agreement, including the use of properly transmitted Signed Documents, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the parties in furtherance of any Transaction, Contract, or Electronic Contracting Agreement.

(5) By executing the Electronic Contracting Agreement, the parties agree not to contest or assert as a defense the validity or enforceability of Signed Documents under the provisions of any law, including the Statute of Frauds, relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Signed Documents under the business records exception to the hearsay rule, the best evidence rule, or any other statute or rule of like kind or character on the basis that the Signed Documents were not originated or maintained in documentary form or any form not contemplated in the Electronic Contracting Agreement.

(6) Severability.

Any provision of the Electronic Contracting Agreement that is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of the Electronic Contracting Agreement or affecting the validity or enforceability of such remaining provisions.

(7) Entire Agreement.

The Electronic Contracting Agreement, the documents incorporated therein by reference, and the Documents transmitted pursuant to the Electronic Contracting Agreement shall (i) constitute the complete agreement of the parties relating to the matters specified in the Electronic Contracting Agreement, and (ii) supersede all prior representations or agreements, whether oral or written, with respect to such matters. No oral modification or waiver of any of the provisions of the Electronic Contracting Agreement shall be binding on either party. No modification of or supplement to the terms and provisions of the Electronic Contracting Agreement shall be effective unless it is executed by electronic communications through NBP's Internet website. No obligation to enter into any transaction is to be implied from the execution or delivery of the Electronic Contracting Agreement. The Electronic Contracting Agreement is for the benefit of, and shall be binding upon, the parties and their respective successors and assigns.

(h) Limitation of Damages.

(1) Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any Documents pursuant to the Electronic Contracting Agreement, even if either party has been advised of the possibility of such damages.

(2) Shipper or any other party with access to NBP's Internet website shall defend and indemnify NBP from and against any and all claims, demands and actions, and any resulting loss, costs, damages and expenses (including court costs and reasonable attorney fees) that may be asserted against or imposed upon NBP by any person or entity as a result of the unauthorized or otherwise improper use of any User Identification or Password issued by NBP to that Shipper or other party.

6.9.1 Open Seasons for Existing Capacity.

To the extent NBP subjects available capacity to an open season bidding process, the open season will be conducted as set forth below.

(a) NBP will post available capacity for bidding on its Internet website. The Bid Period will be a minimum of (one) 1 business day for capacity available for up to one (1) month; a minimum of three (3) business days for capacity available for greater than one (1) month but less than one (1) year; and a minimum of five (5) business days for capacity available for one (1) year or more.

(b) Any entity that qualifies for service in accordance with Section 6.11 of the General Terms and Conditions of Service of this FERC Gas Tariff, including the credit conditions in Section 6.12, may submit a bid for posted capacity. All bids not withdrawn prior to the close of the Bidding Period shall be binding. At the end of the Bidding Period, NBP will evaluate the bids and determine the bid(s) having the greatest economic value as determined in Section 6.9.1(d) below.

(c) After the close of the Bidding Period, NBP may tender a Service Agreement for execution to the requestor(s) submitting the bid(s) having the greatest economic value for the capacity available, subject to the provisions of Section 6.9.1(e).

(d) Valuation of Bids.

Unless otherwise specified in its open season posting, the bid(s) with the greatest economic value will be the bid(s) with the highest net present value ("NPV") based on the reservation charge and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise that requestor(s) would pay at the rates the requestor(s) has bid, over the term of service specified in the request.

If the economic values of separate bids are equal, then service shall be offered to such requestors on a pro-rata basis. The NPV is the discounted cash flow of the bid according to the following formula, net of revenues lost or affected by the request for service:

$$\text{Present Value per} = P * R * \frac{(1+i)^{n} - 1}{i\,(1+i)^{n}}$$

where:
P = percent of the rate or charge that the Shipper is willing to pay.

R = rate or charge calculated as: the applicable maximum authorized reservation charge(s) per Dth in effect at the time of the bid for service.

i = FERC's annual interest rate divided by 12.

n = number of months for which the bidder wishes to contract.

The NPV formula will be affected by the term and rate requested. In the event NBP intends to entertain bids for service under index-based or other Negotiated Rate Formulae, the future value of which cannot be determined at the time of the bidding, NBP shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

The specific bid evaluation methodology to be used, including, where appropriate, the data to be used for evaluation of Negotiated Rate Formula bids, will be included as part of NBP's open season posting under Section 6.9.1(a) with sufficient specificity to allow a prospective shipper to calculate the value of its bid and duplicate NBP's results.

Irrespective of whether a bid(s) has the highest NPV of the bids received, NBP may reject bids for service that (i) may detrimentally impact the operational integrity of NBP's system; (ii) do not satisfy all the terms of the specified posting; or (iii) contain terms and conditions other than those set forth in NBP's FERC Gas Tariff.

If the NPV of any Negotiated Rate revenues would exceed the NPV of the revenue stream produced by paying the Maximum Rate over the same period of time, then the Shipper bidding the Negotiated Rate shall be considered to be paying the Maximum Rate for the purpose of determining the bid with the highest economic value.

(e) If NBP accepts the winning bid(s) and tenders a Service Agreement, requestor(s) shall complete and return the Service Agreement within thirty (30) days of receipt.

(f) Except as provided in Section 6.19, NBP shall not be obligated to tender or execute a Service Agreement for service at any rate less than the Maximum Rate set forth in the Statement of Effective Rates and Charges for Transportation of Natural Gas applicable to the service requested.

6.12.1 Creditworthiness for Firm Transportation Service.

NBP shall not be required to perform or to continue transportation service under this FERC Gas Tariff, First Revised Volume No. 1, on behalf of any Shipper who fails to comply with NBP's creditworthiness standards. If Shipper is found by NBP to be non-creditworthy, NBP will, upon request, inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

If Shipper's credit standing ceases to meet NBP's credit requirements during the period of service, Shipper must, within five (5) Business Days, pay for one month of service in advance to continue service. Shipper must, within thirty (30) days, provide an acceptable guarantee or either a cash security deposit or letter of credit, consistent with NBP's applicable creditworthiness standards. For shippers utilizing Expansion Capacity on lateral facilities, the security that must be provided within thirty (30) days will not be greater than a shipper's pro rata share of the total facilities costs, and such security will be reduced over time in proportion to the shipper's contract term. If Shipper fails to provide the required security within this time frame, NBP may suspend service immediately. Further, NBP may provide simultaneous written notice to Shipper and the Commission that it will terminate service in thirty (30) days if Shipper fails to provide security. Transporter also may exercise any other remedy available to Transporter hereunder, at law or in equity. Shippers shall provide, initially and on a continuing basis, financial statements, evidence of debt and/or credit ratings, and other such information as is reasonably requested by NBP to establish or confirm Shipper's qualification for service. Credit limits will be established based on the level of requested service and Shipper creditworthiness, as established by the following:

(a) Creditworthiness must be evidenced by a rating for unenhanced senior unsecured debt of at least BBB- by Standard & Poors, Baa3 by Moody's, or an equivalent rating as determined by NBP. In the event that a split rating occurs between rating agencies, NBP will rely upon the lower of the ratings. This rating must be a "foreign currency" rating if the Shipper is domiciled outside of the United States. "Local currency" ratings are unacceptable unless the Shipper's local currency is US Dollars (e.g. Puerto Rico). Shipper credit limits for firm transportation will be established by NBP based upon the audited financial statements for the Shipper's two most recent fiscal years, all interim reports, and any other relevant information.

An equivalent rating may be obtained in one of two ways:

(i) If Shipper's debt is not rated by a recognized debt rating service, Shipper may request an equivalent rating as determined by NBP, based on the financial rating methodology, criteria and ratios for the industry of the Shipper as published by the above rating agencies from time to time. In general, such equivalent rating will be based on the audited financial statements for the

Shipper's two most recent fiscal years, all interim reports, and any other relevant information.

(ii) If Shipper's debt is not rated by a recognized debt rating service, Shipper may, at its own expense, obtain a private rating from a debt rating service acceptable to NBP, or request that an independent accountant or financial advisor, mutually acceptable to NBP and the Shipper, prepare an equivalent evaluation based on the financial rating methodology, criteria, and ratios for the industry of the Shipper as published by the above rating agencies.

(b) Shipper will be deemed to be non-credit-worthy if it is rated below a BBB-/Baa3 equivalent standard by any rating agency or if its credit limit is insufficient to cover Shipper's total collateral requirement, as described in Section 6.12.6 of these General Terms and Conditions of Service. If Shipper does not establish or maintain creditworthiness as described above, or if Shipper's credit limit as determined by NBP is insufficient to cover Shipper's contractual obligations, Shipper has the option of receiving transportation service under this FERC Gas Tariff by providing to NBP one of the following alternatives:

(i) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to NBP from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these Shippers the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on NBP's Internet website.

(ii) Cash Security Deposit: A Shipper may provide a cash security deposit for service via cleared check or wire transfer. For Existing Capacity, the cash security deposit amount must be sufficient to cover the value of three (3) months' worth of applicable transportation charges. For contracts with a term of less than one (1) year, the cash security deposit amount must be sufficient to cover the value of up to three (3) months' worth of applicable transportation charges. For Expansion Capacity on lateral facilities, the pipeline will not require a cash security deposit greater than Shipper's pro rata share of the total facilities costs, and such cash security deposit will be reduced over time in proportion to Shipper's contract term, consistent with Section 6.12.3 of these General Terms and Conditions. NBP will pay interest on cash security deposits at the applicable monthly "Federal Funds (effective)" rate published in the Federal Reserve Statistical Report H.15.

(iii) Letter of Credit: Shipper may post a Letter of Credit (LC) in a form acceptable to NBP. A form of LC is available on NBP's Internet website. For Existing Capacity, the amount of LC must be sufficient to cover the value of three (3) months' worth of applicable transportation charges. For contracts with a term of less than one (1) year, the amount of the LC must be sufficient to cover the value of up to three (3) months' worth of applicable transportation charges. For Expansion Capacity on lateral facilities, the pipeline will not require an LC greater than Shipper's pro rata share of the total facilities costs, and such LC will be reduced over time in proportion to Shipper's contract term, consistent with Section 6.12.3 of these General Terms and Conditions.

(iv) Any other security mutually agreed upon by Shipper and NBP. Such other security shall be accepted on a nondiscriminatory basis.

6.12.5 Creditworthiness for Lending Service.

The standards for Interruptible Transportation Service apply to NBP's interruptible PAL Services. For lending service, however, the security requirement shall include an amount to adequately account for the value of the gas being loaned, which shall be for an amount up to Shipper's loaned quantity times the average annual "SoCal Gas" price, as reported in Gas Daily's Daily Price Survey, for the preceding 12-month period ended October 31. NBP shall have no obligation to lend any quantity of gas beyond amounts for which NBP holds security.

6.16.2 Actual Delivered Quantity Exceeds Actual Confirmed Receipt Quantity.

A net negative imbalance shall exist if the difference between the quantity received (nominated, scheduled, and confirmed) and the quantity delivered, taking into account the reduction in quantity for compressor fuel use, yields a negative result. Commencing upon notification by NBP of the existence of the negative imbalance, and to the extent that the NBP system is not constrained or its integrity is not threatened and NBP has not issued an Operational Flow Order, Shipper shall have three (3) days to correct the imbalance.

Remedies:

Where NBP has facilities in place, NBP may utilize flow control to limit shipper deliveries to even hourly rates equal to one twenty-fourth (1/24th) of a Shipper's Maximum Daily Quantity, consistent with Section 6.14.5 of these General Terms and Conditions of Service. Shippers may schedule with NBP using the nomination process to eliminate or reduce negative imbalances. Shippers may also resolve negative imbalances through the use of Rate Schedule PAL Service. In addition, in accordance with this Section 6.16, Shipper may net or trade imbalances to eliminate or reduce negative imbalances.

If, at the end of the three (3) day period the difference between the actual quantity received and the delivered quantity is in excess of five (5) percent of the delivered quantity or one thousand (1000) Dth, whichever is greater, the excess quantity shall be subject to a penalty equal to twice the rate for service under Rate Schedule ITS-1 as set forth in effective Section 4.1. If the imbalance is not corrected within forty-five (45) days of NBP's notice of an imbalance, the imbalance shall be cashed-out at a premium to the Cash Out Index Price as follows:

(i)

Imbalance Percent	Cash Out Index Price Premium
0% - 5%	0%
> 5% - 10%	10%
>10% - 15%	15%
>15% - 20%	20%
>20%	25%

(ii) Shipper's final imbalance on any Agreement shall be cashed out at a price calculated by multiplying the final imbalance by the applicable rate as determined above.

(iii) Cash out amounts received by NBP will be used to offset any purchases of linepack necessitated by Shipper's imbalance. Net cash will be credited to all shippers in accordance with Section 6.16.4.

In the event the operational integrity of NBP's system is threatened, NBP may, without notice, adjust Shipper requests for confirmation from receipt or delivery markets on NBP's system. In addition, NBP may issue an Operational Flow Order consistent with Section 6.18 of these General Terms and Conditions of Service, and Shipper will be subject to tolerances and penalties as provided for in Section 6.18.5.

6.16.3 Actual Confirmed Receipt Quantity Exceeds Actual Delivered Quantity.

A net positive imbalance shall exist if the difference between the quantity received (nominated, scheduled, and confirmed) and the quantity delivered, taking into account the reduction in quantity for compressor fuel use, yields a positive result. Commencing upon notification by NBP of the existence of the imbalance, and to the extent that the NBP system is not constrained or its integrity is not threatened and NBP has not issued an Operational Flow Order, Shipper shall have three (3) days to correct the imbalance.

Remedies:

Shippers may schedule with NBP using the nomination process to eliminate or reduce positive imbalances. Shippers may also resolve positive imbalances through the use of Rate Schedule PAL Service. In addition, in accordance with this Section 6.16, Shipper may net or trade imbalances to eliminate or reduce positive imbalances.

If, at the end of the three (3) day period the difference between the actual quantity received and the delivered quantity is in excess of five (5) percent of the delivered quantity or 1000 Dth, whichever is greater, the excess quantity shall be subject to a penalty equal to twice the rate for service under Rate Schedule ITS-1 as set forth in effective Section 4.1. If the imbalance is not corrected within 45 days of NBP's notice of an imbalance, NBP shall be able to retain the remaining imbalance quantity without compensation to the Shipper and free and clear of any adverse claim. Quantities retained by NBP will be sold in accordance with Section 6.38 of these Transportation General Terms and Conditions, and the proceeds from the sale of the confiscated gas will be credited to all shippers in accordance with Section 6.16.4.

In the event the operational integrity of NBP's system is threatened, NBP may, without notice, adjust Shipper requests for confirmation from receipt or delivery markets on NBP's system. In addition, NBP may issue an Operational Flow Order consistent with Section 6.18 of these General Terms and Conditions of Service, and Shipper will be subject to tolerances and penalties as provided for in Section 6.18.5.

Imbalance determinations as described above will be performed on a daily basis and each daily occurrence will constitute a separate incident. It is recognized and understood that in the event more than one penalty provision may apply to a single imbalance incident, only the most onerous penalty will apply.

Imbalance and overrun penalties will be based on the lesser of the impact from operational or actual data. In the event that any penalty would otherwise be applicable under these provisions as a direct consequence of any action or failure to take action by NBP or the failure of any facility under NBP's control, or an event of force majeure as defined in these General Terms and Conditions of Service, said penalty shall not apply.

Interruptible Shippers will be notified whether penalties will apply on the day their volumes are reduced. NBP shall waive non-critical penalties for bumped shippers on the day of the bump. Waiver of non-critical penalties shall not relieve the shipper from the obligation to take corrective action to eliminate ongoing imbalances.

The payment of a penalty in dollars pursuant to this Section 6.16 shall under no circumstances be considered as giving any Shipper the right to deliver or take overrun quantities.

6.18.3 OFO Notice Procedures. All OFOs will be posted on NBP's Internet website, to be followed by a written notice or other mutually agreeable means of electronic communication to affected Shippers/OBA Operators that will set forth the causes or conditions necessitating the OFO. NBP will issue an OFO as expeditiously as is reasonable and practicable in the circumstances. When practicable, NBP will provide sufficient notice to customers to accommodate scheduling requirements on upstream pipelines. Each OFO will contain the following provisions:

(a) time and date of issuance;

(b) time that OFO is considered to be effective (if no time is specified, the OFO will be effective immediately);

(c) duration of the OFO (if not specified, the OFO will be effective until further notice);

(d) the party or parties receiving the OFO;

(e) the quantity of gas required to remedy the operational condition requiring the issuance of the OFO; and

(f) any other term NBP may reasonably require to ensure the effectiveness of the OFO.

NBP will post information about the status of operational variables that will determine when an OFO will begin and end. NBP will post a notice on its Internet website informing Shipper(s)/OBA Operator(s) when any OFO in effect will be canceled. Following the issuance of an OFO, NBP will post information on the factors that caused the OFO to be issued and then lifted as soon as it is available.

6.18.5 Failure to Comply with OFO. Upon the issuance of an OFO by NBP, it shall be incumbent upon Shipper/OBA Operator to adjust Gas supplies as directed within the time frame specified in the OFO. Failure to comply in a timely fashion with an OFO may result in an immediate interruption of all or a portion of Shipper's service or service at a point covered by an OBA and cause Shipper/OBA Operator to incur a penalty of $25 per Dth plus the Spot Index Price (equal to the SoCal Gas price as reported in Gas Daily's Daily Price Survey) per Dth for all quantities in excess of that allowed under the OFO. The payment of unauthorized overrun penalties does not create the right to exceed the levels established by an OFO.

6.19.1 Eligibility to Release.

Any firm Shipper which contracts for firm transportation service under Part 284 of the Commission's regulations may release all or a part of its capacity under an existing Transportation Service Agreement on a permanent basis, or on a temporary basis. Any Replacement Shipper which has previously contracted for a Parcel may also release its capacity to another party as a Secondary Release subject to the terms and conditions described herein. The Releasing Shipper, whether a primary or secondary capacity holder, must comply with the Release Procedures provided in Section 6.19.3 below.

If a Shipper elects to temporarily release its capacity, the obligations associated with the released capacity remain with the original Releasing Shipper. A temporary release is subject to recall, if so specified. Upon temporarily releasing a Parcel, consistent with the terms and conditions described herein, the Releasing Shipper shall remain ultimately liable for all reservation charges billable for the originally contracted service. At the end of the term of the temporary release, all contractual rights and obligations revert to the original Releasing Shipper.

If a Shipper elects to permanently release all or part of its capacity for the remaining term of Releasing Shipper’s existing Transportation Service Agreement, and NBP determines that it will be financially indifferent to the release to the Replacement Shipper, NBP will release Releasing Shipper from all of its obligations arising from service provided pursuant to the existing Transportation Service Agreement prospectively from the date of permanent release. However, Releasing Shipper will remain obligated for any fees, surcharges, or other obligations related to service provided under Releasing Shipper’s existing Transportation Service Agreement prior to the date of its permanent assignment. If Shipper’s request to permanently release capacity is denied because NBP has a reasonable basis to conclude that it will not be financially indifferent to the release, NBP shall notify the Releasing Shipper and the Replacement Shipper in writing of the reason(s) for such denial.

6.22 FLEXIBLE RECEIPT AND DELIVERY POINTS

1. Firm Service.

(a) Addition of a Receipt Point.

Any firm Shipper receiving service under Part 284 of the Commission's regulations is entitled to use the receipt point specified in its service agreement as a primary receipt point. A firm Shipper may add a secondary receipt point at any time during the life of the contract.

To the extent additional meter station capacity or other facilities are required to effect the receipt point change, NBP will construct the additional capacity consistent with Section 6.25.

(b) Changing a Receipt Point.

A firm Shipper may change primary receipt points to a different receipt point provided sufficient receipt point capacity exists at the receiving meter station and subject to any operating constraints. To the extent additional meter station capacity or other facilities are required to effect the receipt point change, NBP will construct the additional capacity at the firm Shipper's expense consistent with Section 6.25.

(c) Addition of a Delivery Point.

Each firm Shipper is entitled to an allocation of its MDQ to a delivery point(s) as its primary delivery point(s).

A firm Shipper may add secondary delivery points at any time during the life of the contract. To the extent additional meter station capacity is required to effect the delivery point(s) change, and subject to any operating constraints NBP will construct the additional capacity consistent with Section 6.25.

(d) Changing a Delivery Point.

A firm Shipper may change primary delivery points to a different delivery point. A firm shipper may not change its Primary Delivery Point to a location that would change the direction of flow of the Shipper's Primary Path as defined in Section 6.1 paragraph 30 of this FERC Gas Tariff, although a Firm Shipper may initiate Reverse Path transactions which rely upon secondary point rights. Changes in delivery points will be permitted provided sufficient delivery point capacity exists at the delivery meter station. To the extent additional meter station and subject to any operating constraints capacity is required to effect the delivery point change, NBP will construct the additional capacity at the firm Shipper's expense consistent with Section 6.25.

(e) Returning to a Former Receipt or Delivery Point.

A Firm Shipper that changes a Receipt or Delivery Point in accordance with this Section 6.22 or that reacquires capacity that the Shipper had released shall be entitled to return to its original Receipt or Delivery Points provided sufficient capacity exists at such point and subject to any operating constraints. To the extent additional facilities are necessary to effectuate such a return, NBP will construct additional capacity at the Firm Shipper's expense consistent with Section 6.25.

6.36 ELECTRONIC COMMUNICATIONS

1. NBP maintains an Internet website at https://ebb.tceconnects.com/infopost/. Any entity may access this site to review informational postings concerning NBP's system.

2. Electronic Transactions. Any entity desiring to engage in electronic transactions with NBP through its Internet website shall first execute an electronic transaction agreement. Copies of these agreements may be obtained on NBP's Internet website.

3. Electronic Data Interface: NBP shall maintain an electronic data interface ("EDI") as required by the standards for electronic delivery mechanisms promulgated by NAESB and incorporated in Section 6.40 of this Tariff. EDI is available to any party with access to compatible equipment for electronic communication and transmission of data in accordance with the NAESB standards. A party desiring to utilize this EDI interface first shall execute an Electronic Data Interchange Agreement with NBP. Such Agreement may be either the Standard Form Agreement developed by the NAESB or an alternate Agreement as may be agreed to by the parties. Access to NBP's EDI system is obtained by contacting Commercial Services through the help line listed on NBP's Internet website.

6.40 NAESB WGQ STANDARDS

Compliance with 18 CFR, Section 284.12

NBP has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 4.0, , and the standard revised by Minor Correction MC24002 marked with an asterisk [*], which are required by the Commission in 18 CFR Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards not Incorporated by Reference and their Location in Tariff:

NAESB Standard	Tariff record
1.3.1	GT&C – Definitions, 6.1.16
1.3.2(i-vi)	GT&C – Nomination Cycles, 6.14.2
1.3.5	GT&C – Information to be Provided with Nomination, 6.14.1
1.3.6	GT&C – Nomination Cycles, 6.14.2(e)
1.3.7	GT&C – Changes to Nominations, 6.14.3(a)
1.3.8	GT&C – Changes to Nominations, 6.14.3(b)
1.3.9	GT&C – Changes to Nominations, 6.14.3(c)
1.3.11	GT&C – Changes to Nominations, 6.14.3(b)
1.3.19	GT&C – Information to be Provided with Nomination, 6.14.1
2.3.7	GT&C – Inspection of Equipment and Records, 6.5.2
2.3.9	GT&C – Definitions, 6.1.9
2.3.11	GT&C – Inspection of Equipment and Records, 6.5.2
2.3.14	GT&C – Inspection of Equipment and Records, 6.5.2
3.3.14	GT&C – Billing, 6.6.1
3.3.15	GT&C – Adjustment of Billing Error, 6.7.5
3.3.17	GT&C – Payment Under All Rate Schedules, 6.7.1
3.3.18	GT&C – Payment Under All Rate Schedules, 6.7.1
3.3.19	GT&C – Payment Under All Rate Schedules, 6.7.1
5.3.2	GT&C – Scheduling of Parcels, Bids, and Notifications, 6.19.8
5.3.3	GT&C – Allocation of Parcels, 6.19.7(a)
5.3.7	GT&C – Capacity Reput, 6.19.10
5.3.8	GT&C – Reput Method and Rights, 6.19.11
5.3.13	GT&C – Bidding for a Parcel, 6.19.6(d)
5.3.14	GT&C – Posting of a Parcel, 6.19.5
5.3.15	GT&C – Bidding for a Parcel, 6.19.6(d)
5.3.26	GT&C – Notice Requirements, 6.19.3(c)
5.3.55	GT&C – Capacity Recall, 6.19.9

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:
0.2.5

Standards:
0.3.1, 0.3.2, 0.3.16, 0.3.17

Creditworthiness:

Standards:
0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9, 0.3.10

Gas/Electric Operational Communications:

Definitions:
0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:
0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:
0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets:
0.4.2, 0.4.3

Location Data Download:

Standards:
0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29

Dataset:
0.4.4

Storage Information:

Dataset:
0.4.1

Nominations Related Standards:

Definitions:
1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 12.15, 1.2.16, 1.2.17, 1.2.18, 1.2.19

Standards:
1.3.3, 1.3.4, 1.3.13, 1.3.14, 1.3.15, 1.3.16, 1.3.17, 1.3.18, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.51, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80, 1.3.81, 1.3.82

Datasets:
1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7

Flowing Gas Related Standards:

Definitions:
2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5

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

Datasets:
2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.17, 2.4.18

Invoicing Related Standards:

Definition:
3.2.1

Standards:
3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Datasets:
3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:
4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18

Standards:
4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.110

Capacity Release Related Standards:

Definitions:
5.2.1, 5.2.2, 5.2.3, 5.2.4, 5.2.5

Standards:
5.3.1, 5.3.4, 5.3.5, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.16, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.24, 5.3.25, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.44, 5.3.45, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.56, 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Datasets:
5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 5.4.24, 5.4.25, 5.4.26, 5.4.27

Cybersecurity Related Standards:

Definitions:
12.2.1, 12.2.2, 12.2.3, 12.2.4, 12.2.5, 12.2.6, 12.2.7, 12.2.8, 12.2.9, 12.2.10, 12.2.11, 12.2.12, 12.2.13, 12.2.14, 12.2.15, 12.2.16, 12.2.17, 12.2.18, 12.2.19, 12.2.20, 12.2.21, 12.2.22, 12.2.23, 12.2.24, 12.2.25, 12.2.26, 12.2.27, 12.2.28, 12.2.29, 12.2.30, 12.2.31, 12.2.32, 12.2.33, 12.2.34, 12.2.35, 12.2.36, 12.2.37,

12.2.38, 12.2.39, 12.2.40, 12.2.41

Standards:
12.3.1, 12.3.2, 12.3.3, 12.3.4, 12.3.5, 12.3.6, 12.3.7, 12.3.8, 12.3.9, 12.3.10, 12.3.11, 12.3.12, 12.3.13, 12.3.14, 12.3.15, 12.3.16, 12.3.17, 12.3.18, 12.3.19, 12.3.20, 12.3.21, 12.3.22, 12.3.23, 12.3.24, 12.3.25, 12.3.26, 12.3.27, 12.3.28, 12.3.29, 12.3.30, 12.3.31

Standards for which Waiver or Extension of Time to Comply have been granted:

NAESB Standard	Waiver or Extension of Time

FORM OF SERVICE AGREEMENT - FIRM TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE FTS-1

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on a firm basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on a firm basis, (if applicable);

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Firm Transportation Agreement (“Agreement”), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Quantity of Gas and Points of Receipt and Delivery

1. The point(s) of receipt and delivery, and the maximum quantities of gas to be delivered by NBP for Shipper's account at the point(s) of delivery are set forth in Exhibit A, attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.

III
Term

1. The service commencement date is __________, and service shall continue until __________.

(Evergreen, if applicable)
Thereafter, this Agreement shall continue in full force and effect for an additional term of _____ unless ______ gives at least ______ written notice prior to the termination date of this Agreement of its desire to terminate this Agreement.

(if applicable)
Shipper shall have a regulatory right of first refusal as set forth in Section 6.10 of the General Terms and Conditions of NBP’s Tariff.

(if applicable)
Shipper shall have a contractual right of first refusal which (a) shall be exercised consistent with the procedures set forth in Section 6.10 of the General Terms and Conditions of NBP’s Tariff; (b) exists by virtue of this Agreement, notwithstanding the fact that Shipper would otherwise be ineligible for this right under Section 6.10; and (c) shall not extend or apply to any subsequent agreement or amendment arising from the exercise thereof.

(if applicable)
Shipper shall not have a right of first refusal.

IV
Rate(s), Rate Schedules,
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

V
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper warrants that the requisite upstream and downstream transportation arrangements to effectuate the service to be provided pursuant to the Agreement are in place, or will be in place as of the requested effective date of service.

3. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

4. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or other means similarly agreed to:

NORTH BAJA PIPELINE, LLC
700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Attention: Commercial Services

[SHIPPER]
____
____
____
____
Attention: ________________________________

5. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

6. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

7. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ____
Name: ____
Title: ____

[SHIPPER]

By: ____
Name: ____
Title: ____

EXHIBIT A

TO THE FIRM TRANSPORTATION AGREEMENT

Dated ______________

Between NORTH BAJA PIPELINE, LLC,

and ____

Transportation Demand:

Begin Date	End Date	Demand Dth/day	Recurrence Interval

Primary Receipt Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

Primary Delivery Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

If applicable, Minimum Receipt/Delivery Pressure Obligation (psig): _____________________

FORM OF SERVICE AGREEMENT - YUMA LATERAL FIRM TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE FTS-1 LATERAL RATE SCHEDULE (LAT-1)

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on a firm basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on a firm basis, (if applicable)

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Firm Transportation Agreement ("Agreement"), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission ("FERC") contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Quantity of Gas and Points of Receipt and Delivery

1. The point(s) of receipt and delivery, and the maximum quantities of gas to be delivered by NBP for Shipper's account at the point(s) of delivery are set forth in Exhibit A, attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.

III
Term

1. The service commencement date is __________, and service shall continue until __________.

   (Evergreen, if applicable)
   Thereafter, this Agreement shall continue in full force and effect for an additional term of _____ unless ______ gives at least ______ written notice prior to the termination date of this Agreement of its desire to terminate this Agreement.

   (if applicable)
   Shipper shall have a regulatory right of first refusal as set forth in Section 6.10 of the General Terms and Conditions of NBP’s Tariff.

   (if applicable)
   Shipper shall have a contractual right of first refusal which (a) shall be exercised consistent with the procedures set forth in Section 6.10 of the General Terms and Conditions of NBP’s Tariff; (b) exists by virtue of this Agreement, notwithstanding the fact that Shipper would otherwise be ineligible for this right under Section 6.10; and (c) shall not extend or apply to any subsequent agreement or amendment arising from the exercise thereof.

   (if applicable)
   Shipper shall not have a right of first refusal.

IV
Rate(s), Rate Schedule(s),
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. The following provision is___/is not___ applicable to this Agreement:
   In addition to the rate established for the NBP-Yuma Lateral, in accordance with Section 6.6 paragraph 3 of NBP's General Terms and Conditions of Service, Shipper also agrees to pay any Third Party Charges which may be incurred by NBP for transportation services on the Gasoducto Rosarito ("GR")-Algodones Lateral necessary to provide transportation services on the GR-Algodones Lateral as provided in Exhibit A.

V
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement consistent with NBP's tariff.

3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or other means similarly agreed to:

   NORTH BAJA PIPELINE, LLC
   700 Louisiana Street, Suite 1300
   Houston, Texas 77002-2700
   Attention: Commercial Services

[SHIPPER]
____
____
____
____
Attention: ______________________________

4. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

5. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

6. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ____
Name: ____
Title: ____

[SHIPPER]

By: ____
Name: ____
Title: ____

EXHIBIT A

TO THE YUMA LATERAL FIRM TRANSPORTATION SERVICE AGREEMENT

Dated ________________________

Between NORTH BAJA PIPELINE, LLC,

and ____

Primary Receipt Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

Primary Delivery Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

If applicable, Minimum Receipt/Delivery Pressure Obligation (psig): _____________________

Third Party Charges**:** This Option is____/is not____ applicable to this Agreement:

NBP has contracted, on behalf of Shipper, for transportation service on the Gasoducto Rosarito portion of the Yuma Lateral (also known as GR-Algodones Lateral) which is located in Mexico. NBP agrees to provide transportation service to Shipper from the interconnection of the GR-Algodones Lateral with the GR Mainline in the vicinity of Algodones, Mexico ("Receipt Point") to the US/Mexico Border at Yuma, Arizona in the vicinity of County 10th Street ("Delivery Point"). This service will be for a Maximum Daily Quantity of _______ Dth/Day and a term of ___ years.

FORM OF SERVICE AGREEMENT - INTERRUPTIBLE TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE ITS-1

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on an interruptible basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis, (if applicable)

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Interruptible Transportation Agreement (“Agreement”), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable.

   Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Term

1. The service commencement date is __________, and service shall continue until __________, or until terminated by Shipper or NBP upon thirty (30) days written notice.

III
Rate(s), Rate Schedules,
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein, or through the customer activities link on NBP's Internet website.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. 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 of NBP that have a higher priority of service.

IV
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper warrants that the requisite upstream and downstream transportation arrangements to effectuate the service to be provided pursuant to this Agreement are in place, or will be in place as of the requested effective date of service.

3. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

4. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or other means similarly agreed to:

    NORTH BAJA PIPELINE, LLC
    700 Louisiana Street, Suite 1300
    Houston, Texas 77002-2700
    Attention: Commercial Services

    [SHIPPER]
    ____
    ____
    ____
    ____
    Attention: ______________________________

5. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

6. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

7. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ______________________________________
Name: ______________________________________
Title: ______________________________________

[SHIPPER]

By: ______________________________________
Name: ______________________________________
Title: ______________________________________

FORM OF SERVICE AGREEMENT - YUMA LATERAL INTERRUPTIBLE TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE ITS-1 LATERAL RATE SCHEDULE (LAT-1)

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on an interruptible basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis, (if applicable)

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Interruptible Transportation Agreement (“Agreement”), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission ("FERC") contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or

any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Term

1. The service commencement date is __________, and service shall continue until __________, or until terminated by Shipper or NBP upon thirty (30) days written notice.

III
Rate(s), Rate Schedule(s),
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein, or through the customer activities link on NBP’s Internet website.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. 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 of NBP that have a higher priority of service.

5. The following provision is____/is not____ applicable to this Agreement: In addition to the rate established for the NBP-Yuma Lateral, in accordance with Section 6.6 paragraph 3 of

NBP's General Terms and Conditions of Service, Shipper also agrees to pay any Third Party Charges which may be incurred by NBP for transportation services on the Gasoducto Rosarito ("GR") - Algodones Lateral necessary to provide transportation service on the GR-Algodones Lateral.

IV
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement consistent with NBP's tariff.

3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or other means similarly agreed to:

   NORTH BAJA PIPELINE, LLC
   700 Louisiana Street, Suite 1300
   Houston, Texas 77002-2700
   Attention: Commercial Services

   [SHIPPER]
   ____
   ____
   ____
   ____
   Attention: ____________________

4. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

5. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

6. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ____
Name: ____
Title: ____

[SHIPPER]

By: ____
Name: ____
Title: ____

FORM OF SERVICE AGREEMENT - PARKING AND LENDING SERVICE

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING AND LENDING SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE PAL

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on an interruptible basis, to park or loan certain quantities of natural gas at various points on NBP's system; and

WHEREAS, NBP is willing to park or loan certain quantities of natural gas for Shipper, on an interruptible basis, (if applicable)

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Parking and Lending Service Agreement (“Agreement”), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule PAL. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Term

1. The service commencement date is __________, and service shall continue until __________, or until terminated by Shipper or NBP upon thirty (30) days written notice.

III
Rate(s), Rate Schedules,
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule PAL, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein, or through the customer activities link on NBP's Internet website.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule PAL, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. 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 of NBP having a higher priority of service.

IV
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper warrants that the requisite upstream and downstream transportation arrangements to effectuate the service to be provided pursuant to this Agreement are in place, or will be in place as of the requested effective date of service.

3. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

4. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, or other means similarly agreed to:

   NORTH BAJA PIPELINE, LLC
   700 Louisiana Street, Suite 1300
   Houston, Texas 77002-2700
   Attention: Commercial Services

   [SHIPPER]
   ____
   ____
   ____
   ____
   Attention: ____________________________

5. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

6. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

7. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ________________________________
Name: ________________________________
Title: ________________________________

[SHIPPER]

By: ________________________________
Name: ________________________________
Title: ________________________________

EXHIBIT A

TO THE PARKING AND LENDING TRANSPORTATION AGREEMENT

Dated _____________

Between NORTH BAJA PIPELINE, LLC,

and ____

Maximum Quantity: Dekatherms (Dth)

PAL Point(s):

PAL Service Option:

- PARK Service
- LOAN Service

PARK/LOAN SCHEDULE

Ratable (Y or N)	Period	Rate

INTERIM PERIOD

Period	Rate

RETURN SCHEDULE

Ratable (Y or N)	Period	Rate

Appendix B

North Baja Pipeline, LLC
FERC Gas Tariff, First Revised Volume No. 1

Marked Tariff

Tariff Sections		Version
	Tariff, First Revised Volume No. 1, Title Page	v.3.0.0
1	Part 1, Table of Contents	v.10.0.0
3	Part 3, Maps	v.4.0.0
4.1	Statement of Rates, FTS-1, ITS-1, PAL Rates & ACA Surcharge	v.5.0.0
4.2.1	Statement of Rates, Negotiated Rate Agreements – Rate Schedule FTS-1	v.12.0.0
4.2.2	Statement of Rates, Explanatory Footnotes for Negotiated Rates – FTS-1	v.12.0.0
4.3	Statement of Rates, Non-Conforming Service Agreements	v.7.0.0
5	Part 5, Rate Schedules	v.2.0.0
5.1.3	Rate Schedule FTS-1, Rates	v.4.0.0
5.2.3	Rate Schedule ITS-1, Rates	v.5.0.0
5.3	Rate Schedules, Rate Schedule PAL	v.2.0.0
5.3.1	Rate Schedule PAL, Availability	v.2.0.0
5.3.2	Rate Schedule PAL, Applicability and Character of Service	v.3.0.0
5.3.3	Rate Schedule PAL, Rates	v.2.0.0
5.3.4	Rate Schedule PAL, Operational Requirements of NBP	v.3.0.0
5.3.5	Rate Schedule PAL, Commission and Other Regulatory Fees	v.2.0.0
5.3.6	Rate Schedule PAL, General Terms and Conditions of Service	v.2.0.0
6.1	GT&C, Definitions	v.6.0.0
6.8.1	GT&C, Firm Transportation Service	v.4.0.0
6.8.6	GT&C, Electronic Transportation Service	v.0.0.0
6.9.1	GT&C, Open Seasons for Existing Capacity	v.3.0.0
6.12.1	GT&C, Creditworthiness for Firm Transportation Service	v.3.0.0
6.12.5	GT&C, Creditworthiness for Lending Service	v.3.0.0
6.16.2	GT&C, Actual Delivered Qty. Exceeds Actual Confirmed Receipt Qty.	v.2.0.0
6.16.3	GT&C, Actual Confirmed Receipt Qty. Exceeds Actual Delivered Qty.	v.2.0.0
6.18.3	GT&C, OFO Notice Procedures	v.3.0.0
6.18.5	GT&C, Failure to Comply with OFO	v.3.0.0

6.19.1	GT&C, Eligibility to Release	v.4.0.0
6.22	GT&C, Flexible Receipt and Delivery Points	v.3.0.0
6.36	GT&C, Electronic Communications	v.3.0.0
6.40	GT&C, NAESB WGQ Standards	v.10.0.0
7.1	Service Agmts, Rate Schedule FTS-1	v.7.0.0
7.1.1	Service Agmts, Rate Schedule FTS-1 – Exhibit A	v.3.0.0
7.2	Service Agmts, Rate Schedule FTS-1 (LAT-1)	v.7.0.0
7.2.1	Service Agmts, Rate Schedule FTS-1 (LAT-1) – Exhibit A	v.4.0.0
7.3	Service Agmts, Rate Schedule ITS-1	v.7.0.0
7.4	Service Agmts, Rate Schedule ITS-1 (LAT-1)	v.7.0.0
7.5	Service Agmts, Rate Schedule PAL	v.7.0.0
7.5.1	Service Agmts, Rate Schedule PAL – Exhibit A	v.3.0.0

FERC GAS TARIFF

FIRST REVISED VOLUME NO. 1

OF

NORTH BAJA PIPELINE, LLC

FILED WITH THE

FEDERAL ENERGY REGULATORY COMMISSION

Communications Concerning This Tariff
Should Be Addressed To:

Sorana Linder
Vice President, Rates & Regulatory~~Director, Rates, Tariffs, and Modernization~~
North Baja Pipeline, LLC
Mailing Address: P.O. Box 2446
Houston, TX 77252-2446
Courier Address: 700 Louisiana Street, Suite 1300
Houston, Texas 77002-2700
Phone: (832) 320-5209

TABLE OF CONTENTS

Non-conforming Agreements with Negotiated Rates

The currently effective system map is available on NBP's Internet website at

ebb.tceconnects.com/infopost/Documents.aspx?Folder=%5C%5Cbaja%5C%5Cmaps.

~~http://tcplus.com/North%20Baja/systemmap.~~

STATEMENT OF EFFECTIVE RATES AND CHARGES

Rate Schedule	Maximum Rate per Dth	Minimum Rate per Dth
Rate Schedule FTS-1		
1. Capacity Reservation Rate per Month per Dth of MDQ	$3.56657	$0.00000
2. Commodity Rate per Dth	$0.00066	$0.00066
3. Fuel	0.8500%	0.0000%
Maximum FTS-1 Volumetric Capacity Release Rate /1	$0.11791	
FTS-1 Lateral Rate Schedule:		
LAT-1		
1. Capacity Reservation Rate per Month per Dth of MDQ	$2.67386	$0.00000
2. Commodity Rate per Dth	$0.00000	$0.00000
3. Fuel	0.0000%	0.0000%
Maximum LAT-1 Volumetric Capacity Release Rate /1	$0.08791	
Rate Schedule ITS-1		
1. Commodity Rate per Dth	$0.11791	$0.00000
2. Fuel	0.8500%	0.0000%
ITS-1 Lateral Rate Schedule:		
LAT-1		
1. Commodity Rate per Dth	$0.08791	$0.00000
2. Fuel	0.0000%	0.0000%
Rate Schedule PAL~~-1~~		
1. Account Balance Charge	$0.11791	$0.00000
ACA Surcharge /2		
1. Commodity Rate per Dth	/3	/3

Notes:

/1 The Maximum Rate does not apply to capacity release transactions of one (1) year or less.

/2 In accordance with Section 6.37 of the General Terms and Conditions of Service of this FERC Gas Tariff, all Transportation that involves the physical movement of gas shall pay an ACA unit adjustment as set forth in effective Section 4.1. This adjustment shall be in addition to the Base Tariff Rate(s) specified above.

/3 The currently effective ACA unit charge as published on the Commission's website (www.ferc.gov) is incorporated herein by reference.

STATEMENT OF EFFECTIVE RATES AND CHARGES

NEGOTIATED RATE AGREEMENTS UNDER RATE SCHEDULE FTS-1

SHIPPER	TERM OF CONTRACT	DTH/D	PRIMARY RECEIPT POINT	PRIMARY DELIVERY POINT	RATE /2
Energia Azteca X, S. de R.L. de C.V. /1	09/01/02 - 03/31/28	135,000	Ehrenberg	US-Mexico Border	/5
Energia de Baja California, S. S. de R.L. de C.V. /1	09/01/02 - 03/31/28	37,000	Ehrenberg	US-Mexico Border	/6
Arizona Public Service Company /1~~8~~ Yuma, /12 (LAT-1 Service)	03/13/10 - 0~~2~~3/12~~28~~/35~~25~~	~~62,750~~24,000	US-Mexico Border at Yuma, AZ in the vicinity of County 10th Street	Yucca Power Plant, Arizona	
Arizona Public Service Company /1~~8~~	03/13/10 - 03~~2~~/12~~28~~/35~~25~~	11,000	Ehrenberg	US-Mexico Border	/13
Sempra LNG Marketing Corp. /1	7/1/08 - 2/29/28	125,000	Ehrenberg	Ogilby	/4
Sempra LNG Marketing Corp. /8	07/01/08 - 02/14/28	85,000	US-Mexico Border	SoCalGas	/4
Imperial Irrigation District /1	04/01/11 - 03/31/31	18,500	Ehrenberg	US-Mexico Border	/9
Sempra LNG Marketing, LLC ~~/1~~ /1	03/01/19 - 04/30/28	100,000	Ehrenberg	Ogilby	/3
Sempra LNG	06/01/19				

International, LLC /1	02/29/28	63,670	Ehrenberg	Ogilby	/11
Sempra Gas & ~~Power~~ /14 Power Marketing /1	06/01/23 - 05/31/43	495,000	Ehrenberg	Ogilby	
Saavi Energy ~~Solutions,~~ /15 Solutions, LLC /1	02/01/26 – 01/31/27	135,000	Ehrenberg	Ogilby	
Saavi Energy ~~Solutions,~~ /15 Solutions, LLC /1	02/01/26 – 01/31/27	37,000	Ehrenberg	Ogilby	

Explanatory Footnotes for Negotiated Rates
Under Rate Schedule FTS-1

1/ This contract does not deviate in any material aspect from the Form of Service Agreement in this Tariff.

2/ Unless otherwise noted, all Shippers pay North Baja Pipeline, LLC's maximum Reservation Charge, Delivery Charge, ACA, and contribute fuel in-kind in accordance with this Tariff.

3/ Shipper shall pay a fixed monthly reservation rate equal to $0.11/Dth times 30.4 days for each month, as well as all maximum applicable commodity rates, and all reservation and commodity surcharges, including but not limited to fuel retention rates, under Rate Schedule FTS-1.

4/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1237 times 30.4 days for each month, times the Maximum Daily Quantity, plus a volumetric rate of $0.0038 per Dth, plus, fuel, line loss and unaccounted for gas as set forth in the Tariff and any and all applicable surcharges. This rate shall be fixed for the term of this Agreement.

5/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1019 times 30.4 days for each month, plus a delivery rate of $0.0031 per Dth, plus ACA. Shipper shall reimburse Transporter for fuel, line loss, and other unaccounted for gas in kind at a rate of 0.7%. This rate shall be fixed for the term of this Agreement.

Rate Protection Provision:

(1) This provision applies only to gas that is delivered to NBP at Ehrenberg, AZ. To the extent NBP and Gasoducto Rosarito ("GR") separately provide long-term (greater than 364 days) firm transportation service to a Third Party Shipper in the Western Zone at a combined rate that is lower than $0.270 per Dth on a 100% load factor basis (excluding non-pipeline surcharges), or in the Mexicali Zone at a combined rate that is lower than $0.245 per Dth, then the rate applicable to Shipper for service on NBP shall be reduced in accordance with the following formula:

NR = OR - ((CTR - TPR) x 0.4286)

Where: NR = New Rate level at which Shipper will receive service on NBP. Resulting unit rate will be converted to a reservation/delivery structure where the delivery rate will equal three (3) percent of the NR;

OR = Shipper's negotiated Original Rate on NBP or $0.105 per Dth on a 100% load factor basis;

CTR = Competitive Threshold Rate which is $0.270 per Dth for the Western

Zone and \$0.245 per Dth for the Mexicali Zone; and
TPR = Third Party Rate for the combined NBP and GR path.

The Western Zone is defined as 115 degrees, 41 minutes, 21 seconds west longitude, west to the interconnection with Transportadora de Gas Natural de Baja California;

The Mexicali Zone is defined as 115 degrees, 41 minutes, 21 seconds, east to 115 degrees, 11 minutes, 50 seconds west longitude;

A Third Party Shipper is defined as a shipper that is either the owner, operator, or fuel supplier to electric generation facilities, or affiliates of NBP or GR.

(2) This provision applies only to the portion of capacity held by Shipper in excess of 90,000 Dth.

(3) The New Rate shall only apply for the duration of the term of service provided to the Third Party Shipper, but in no event shall apply beyond the term of this rate protection provision.

(4) This provision terminates December 31, 2017. If the capacity held by Shipper is permanently assigned or released to a similarly-situated replacement shipper, the rate protection provision shall be extended to such replacement shipper.

6/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to \$0.1019 times 30.4 days for each month, plus a delivery rate of \$0.0031 per Dth, plus ACA. Shipper shall reimburse Transporter for fuel, line loss, and other unaccounted for gas in kind at a rate of 0.7%. This rate shall be fixed for the term of this Agreement.

Rate Protection Provision:

(1) This provision applies only to gas that is delivered to NBP at Ehrenberg, AZ. To the extent NBP and Gasoducto Rosarito ("GR") separately provide long-term (greater than 364 days) firm transportation service to a Third Party Shipper in the Western Zone at a combined rate that is lower than \$0.270 per Dth on a 100% load factor basis (excluding non-pipeline surcharges), or in the Mexicali Zone at a combined rate that is lower than \$0.245 per Dth, then the rate applicable to Shipper for service on NBP shall be reduced in accordance with the following formula:

NR = OR - ((CTR - TPR) x 0.4286)

Where: NR = New Rate level at which Shipper will receive service on NBP. Resulting unit rate will be converted to a reservation/delivery structure where the delivery rate will equal three (3) percent of the NR;

OR = Shipper's negotiated Original Rate on NBP or $0.105 per Dth on a 100% load factor basis;
CTR = Competitive Threshold Rate which is $0.270 per Dth for the Western Zone and $0.245 per Dth for the Mexicali Zone; and
TPR = Third Party Rate for the combined NBP and GR path.

The Western Zone is defined as 115 degrees, 41 minutes, 21 seconds west longitude, west to the interconnection with Transportadora de Gas Natural de Baja California;

The Mexicali Zone is defined as 115 degrees, 41 minutes, 21 seconds, east to 115 degrees, 11 minutes, 50 seconds west longitude;

A Third Party Shipper is defined as a shipper that is either the owner, operator, or fuel supplier to electric generation facilities, or affiliates of NBP or GR.

(2) The New Rate shall only apply for the duration of the term of service provided to the Third Party Shipper, but in no event shall apply beyond the term of this rate protection provision.

(3) This provision terminates December 31, 2017. If the capacity held by Shipper is permanently assigned or released to a similarly-situated replacement shipper, the rate protection provision shall be extended to such replacement shipper.

7/ ~~The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1147 plus a Reverse Flow Facilities Surcharge of $0.0070 for a total of $0.1217 times 30.4 days for each month, times the Maximum Daily Quantity, plus a volumetric rate of $0.0036 per Dth plus fuel, line loss and unaccounted for gas as set forth in the Tariff and any and all applicable surcharges. This rate shall be fixed for the term of this Agreement.~~Reserved for Future Use.

8/ This contract contains terms that materially deviate from the Form of Service Agreement in this Tariff. This contract has been filed with the FERC.

9/ The transportation rate for the Transportation Service is a negotiated rate consisting of a monthly reservation fee of US (67,532.40) which is $0.12 times 30.42 days for each month, times the Maximum Daily Quantity, plus a volumetric rate of US $0.00066 per Dth plus fuel and line loss and unaccounted for gas as set forth in the Tariff and any and all applicable surcharges.

10/ Reserved for Future Use.

11/ The transportation rate under this Agreement is a fixed monthly reservation rate equal to $0.092 per dekatherm times 30.4 days for each month, as well as all maximum applicable commodity rates, and all reservation and commodity surcharges.

12/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation charge of $~~1.67292~~2.67386 per Dth. Third Party Charge. In accordance with NBP's Tariff Section 6.6.3, for transportation service on the Mexico portion of the Yuma Lateral (also called the GB-Algodones Lateral), Shipper shall pay NBP a Third Party Charge at a Negotiated rate of US $0.07/Dth/day. Unless the percentages are otherwise modified by the Energy Regulatory Commission of Mexico (Comision Reguladora de Energia), the Third Party charges shall consist of a monthly reservation fee of 98% of the total US $0.07/Dth rate times 30.42 days in each month times the MDQ specified in Exhibit A, plus a volumetric rate of 2% of the total US $0.07/dth rate for gas shipped plus any fuel and line loss and unaccounted for gas and any applicable surcharges and taxes.

~~and a delivery charge of $0.00000 per Dth. Additionally, Shipper will pay NBP a monthly reservation surcharge equal to $0.06455, ($0.002122 times 30.42, based on an MDQ of 62,750) for the primary term of this Agreement as compensation for the installation of Pressure Regulating Facilities at the request of the Shipper. This surcharge will be adjusted upward or downwards if Shipper reduces or increases its MDQ. The adjusted rate will be current surcharge rate times the current MDQ divided by the reduced or increased MDQ amount.~~

13/ The transportation rate under this Agreement is a fixed negotiated rate of $3.56657~~consisting of a monthly reservation fee of $0.12 times 30.4 days for each month~~, times the Maximum Daily Quantity.~~, plus a volumetric rate of $0.00066 per Dth plus fuel and line loss and unaccounted for gas as set forth in the Tariff and any and all applicable surcharges. This rate shall be fixed for the term of this Agreement.~~

14/ The transportation rate under this Agreement for volumes at the Primary Receipt Point and the Primary Delivery Point is a fixed monthly reservation rate of $0.0943 per dekatherm per day, as well as all maximum applicable commodity rates, and all reservation and commodity surcharges, plus ACA charge for the term of this Agreement

15/ The transportation rate under this Agreement is a negotiated rate consisting of a monthly reservation fee equal to $0.1019 times 30.4 days for each month, plus a delivery rate of $0.0031 per Dth , plus ACA. Shipper shall reimburse Transporter for fuel, line loss, and other unaccounted for gas in kind at a rate of 0.7%. This rate shall be fixed for the term of this Agreement.

NON-CONFORMING SERVICE AGREEMENTS
PURSUANT TO § 154.112(b)

Name of Shipper/Contract No.	Rate Schedule	Agreement Date	Effective Date
SEFE Marketing & Trading USA Inc. #A025F1	FTS-1	9/12/09	2/24/23
~~Arizona Public Service Company #A027F1~~	~~FTS-1~~	~~9/21/09~~	~~3/1/10~~
~~Arizona Public Service Company #YA027F1~~	~~FTS-1 (LAT-1)~~	~~9/21/09~~	~~3/1/10~~
Sempra LNG Marketing Corp. #A016F3	FTS-1	6/25/08	7/1/08
Sempra Gas & Power Marketing, LLC #125154-1	FTS-1	5/31/23	6/1/23

RATE SCHEDULES

Firm Transportation Service (FTS-1)

Interruptible Transportation Service (ITS-1)

Parking and Lending Service (PAL~~-1~~)

5.1.3 RATES

Shipper shall pay NBP each month the sum of the Reservation Charge, the Commodity Charge, plus any applicable Overrun Charge or surcharge for the quantities of natural gas delivered. The rate(s) set forth in NBP's Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, First Revised Volume No. 1 are applied to transportation service rendered under this rate schedule.

1. Reservation Charge.

The Reservation Charge shall be the Shipper's Maximum Daily Quantity multiplied by the Reservation Rate for service under this Rate Schedule as set forth in effective Section 4.1.

2. Commodity Charge.

The Commodity Charge shall be the product of the quantities of gas delivered in the month (in Dth) and the Commodity Rate as set forth in effective Section 4.1.

3. Applicability of Surcharges.

Shipper shall pay all reservation and usage surcharges applicable to the service provided to such Shipper as set forth in NBP's FERC Gas Tariff, First Revised Volume No. 1; such surcharges shall be deemed to be part of Shipper's Reservation and Commodity Charges.

4. Discounted Rates.

Shipper shall pay the Maximum Reservation Charge and the Maximum Commodity Charge for service under this Rate Schedule unless NBP offers to discount the Reservation Rate, the Commodity Rate or any discountable surcharges. If NBP elects to discount any such rate, NBP shall, by written notice, advise Shipper of the effective date of such charges and the quantity of gas so affected; provided, however, such discount shall not be anti-competitive or unduly discriminatory between individual shippers.

5. Negotiated Rates.

Notwithstanding any provision of NBP's Tariff to the contrary, NBP 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 NBP's Tariff.

6. Backhauls.

Backhauls (as defined in Section 6.1 paragraph ~~26~~2 of the General Terms and Conditions of Service) shall be subject to the same charges as forward haul (as defined in Section 6.1 paragraph ~~25~~1~~5~~4 of the General Terms and Conditions of Service) except that no gas shall be retained by NBP for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

7. Capacity Release.

(a) Releasing Shippers:

Shipper shall have the option to release capacity pursuant to the provisions of NBP's capacity release program as specified in the General Terms and Conditions of Service. Shipper may release its capacity, up to Shipper's MDQ under this rate schedule, in accordance with the provisions of Section 6.19 of NBP's General Terms and Conditions of Service of this FERC Gas Tariff, First Revised Volume No. 1. Shipper shall pay a fee associated with the marketing of capacity by NBP (if applicable) in accordance with Section 6.19 of the General Terms and Conditions of Service. This fee shall be negotiated between NBP and the Releasing Shipper. A Shipper that releases capacity on a temporary basis remains liable for the payment of all rates and fees incurred under such service that are not paid by the Replacement Shipper.

(b) Replacement Shippers:

Shipper may receive released capacity service under this rate schedule pursuant to Section 6.19 of the General Terms and Conditions of Service and is required to execute a service agreement in the form contained for capacity release under Rate Schedule FTS-1 in this FERC Gas Tariff, First Revised Volume No. 1.

Shipper shall pay NBP each month for transportation service under this rate schedule and as set forth in NBP's current Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, First Revised Volume No. 1. Charges to be paid shall be the sum of the Reservation Charge, Commodity Charge, and other applicable surcharges or penalties.

5.2.3 RATES

1. Commodity Rates.

   Shipper shall pay NBP, each month, for the transportation of quantities of natural gas delivered, the Commodity Charge, plus any applicable surcharges. The rate(s) set forth under Rate Schedule ITS-1 in NBP's current Statement of Effective Rates and Charges for Transportation of Natural Gas in this FERC Gas Tariff, First Revised Volume No. 1 are applied to interruptible transportation service rendered under this rate schedule.

2. Applicability of Surcharges.

   Shipper shall pay all surcharges applicable to the service provided to Shipper as set forth in NBP's FERC Gas Tariff. Such surcharges shall be deemed to be part of Shipper's Commodity Charge.

3. Discounted Rates.

   Shipper shall pay the Maximum Commodity Rate for service under this rate schedule unless NBP offers to discount its rate to Shipper under this rate schedule. If NBP elects to discount its rate, NBP shall advise Shipper of the effective date of such charge and the quantity of gas so affected, provided, however, such discount shall not be anti-competitive or unduly discriminatory between individual Shippers. The rate for service under this rate schedule shall not be discounted below the Minimum Commodity Rate set forth on the Statement of Effective Rates and Charges for Transportation of Natural Gas.

4. Negotiated Rates.

   Notwithstanding any provision of NBP's Tariff to the contrary, NBP 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 NBP's Tariff.

5. Backhauls.

   Backhauls (as defined in Section 6.1 paragraph ~~26~~2 of the General Terms and Conditions of Service) shall be subject to the same charges as forward haul (as defined in Section 6.1 paragraph ~~25~~14 of the General Terms and Conditions of Service) except that no gas shall be retained by NBP for compressor station fuel, line loss and other unaccounted-for gas. Backhauls are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

RATE SCHEDULE PAL~~-1~~
PARKING AND LENDING SERVICE

5.3.1 AVAILABILITY

This Rate Schedule is available to any party (hereinafter called "Shipper") for the parking and lending of gas from NBP, subject to the following limitations:

1. NBP has determined that it is operationally able to render such service; and

2. Shipper and NBP have executed a PAL Service Agreement.

5.3.2 APPLICABILITY AND CHARACTER OF SERVICE

1. This Rate Schedule shall apply to service, which is rendered by NBP for Shipper pursuant to an executed PAL Service Agreement under this Rate Schedule.

2. Service under this Rate Schedule shall consist of either parking or lending of Gas during any Day or part thereof. Service rendered by NBP under this Rate Schedule shall be interruptible and shall consist of:

   (a) Parking Service. Parking Service is an interruptible service which provides for (1) the receipt by NBP of Gas quantities delivered by Shipper to the Point(s) of Service agreed to by NBP and Shipper for receipt of parked quantities; (2) NBP holding the parked quantities on NBP's pipeline system; and (3) return of the parked quantities to Shipper at the agreed upon time and at the same Point(s) or other mutually agreed upon Point(s), provided, however, that NBP is not obligated to return parked quantities on the same Day and at the same Point the Gas is parked.

   (b) Lending Service. Lending Service is an interruptible service which provides for (1) Shipper receiving Gas quantities from NBP at the Point(s) of Service agreed to by NBP and Shipper for delivery of loaned quantities of Gas; and (2) the subsequent return of the loaned quantities of Gas to NBP at the agreed upon time and at the same Point(s) or mutually agreed upon Point(s), provided, however, that NBP is not obligated to accept return of loaned Gas on the same Day and at the same Point the Gas is loaned.

   (c) If the Shipper and NBP agree that Shipper may receive parked quantities or return loaned quantities at Point(s) other than the Point(s) of the park or loan, then Shipper and NBP shall enter into a separate Transportation Agreement(s) to effectuate receipt or delivery of Gas from or to the new Point(s).

3. Service rendered under this Rate Schedule shall be provided for a minimum of a one (1) Day term. The term shall be set forth on the Agreement executed between Shipper and NBP.

4. Transportation of Gas quantities for or on behalf of Shipper to or from the designated Point(s) of Service under the Transportation Agreement shall not be performed under this Rate Schedule. Shipper shall make any necessary arrangements with NBP and/or third parties to receive or deliver Gas quantities at the designated Points of Service for Parking or Lending Service hereunder.

5. Services rendered under this Rate Schedule shall be interruptible and subject to available capacity.

5.3.3 RATES

Each Month Shipper shall pay to NBP the following charges for service under this PAL~~-1~~ Rate Schedule:

1. Commodity Charges.

   (a) An Account Balance Charge, as stated in Section 4.1, which shall be paid for each Dekatherm of Gas parked or loaned at each Point of Service by NBP for or on behalf of the account of Shipper at the end of any Day during the Month;

   (b) Other Applicable Charges or Surcharges. All other applicable surcharges or charges, as stated in Section 4.1 multiplied by each Dekatherm of Gas delivered.

2. Fuel: Shipper shall not be required to furnish fuel for service under this Rate Schedule.

3. Third Party Charges: Shippers will be responsible for delivering their Gas into and receiving their Gas from NBP's facilities. If the Shipper requests, NBP may contract with Third Parties in order to transport or store the Shipper's Gas on Third Party facilities. In that event, the Shipper will reimburse NBP for all charges NBP is billed by the Third Party as well as for the cost of fuel.

4. Negotiated Rates: Shipper and NBP may mutually agree, pursuant to the provisions of Section 6.24 of the General Terms and Conditions of Service, to a negotiated rate, which rate shall be less than, equal to, or greater than NBP's Maximum Rate. Such rates may be based upon a rate design other than Straight Fixed Variable (SFV). Such negotiated rate shall be set forth in the executed PAL Service Agreement, and in NBP's FERC Gas Tariff.

5.3.4 OPERATIONAL REQUIREMENTS OF NBP

1. Shipper may be required, upon notification from NBP, to cease or reduce deliveries to, or receipts from, NBP hereunder within a Day consistent with NBP's operating requirements. Further, Shipper may be required to return loaned quantities or remove parked quantities upon notification by NBP. Such notification shall at a minimum be provided by posting on NBP's Internet website, and may also be provided by other means of communication. NBP's notification shall specify the timeframe within which parked quantities shall be removed and/or loaned quantities shall be returned, consistent with NBP's operating conditions, but in no event shall the specified time be sooner than the next day after NBP's notification, subject to the following conditions:

   (a) In the event that the specified time for removal or return of Gas quantities is the next Day, the timeframe for required removal or return shall begin from the time that Shipper receives notice from NBP. Notices provided after business hours for the next Day will be provided to Shipper via electronic communication. In the event that Shipper makes a timely and valid nomination in response to notification by NBP to remove parked quantities and/or return loaned quantities, Shipper shall be deemed to have complied with NBP's notification; and

   (b) Unless otherwise agreed by Shipper and NBP: (i) any parked quantity not nominated for removal within a timeframe specified by NBP's notice shall become the property of NBP at no cost to NBP free and clear of any adverse claims; (ii) any loaned quantity not returned within the timeframe specified by NBP's notice shall be sold to Shipper at one hundred and fifty percent (150%) of the average weekly price of gas as calculated in Section 5.3.4 paragraph 3 below.

2. In the event parked quantities remain in NBP's Pipeline System and/or loaned quantities have not been returned to NBP's Pipeline System at the expiration of any Agreement executed by Shipper and NBP, NBP and Shipper may mutually agree to an extended timeframe and/or modified terms, including the rate, of such Agreement. In the event that Shipper and NBP are unable to come to such Agreement, NBP shall notify Shipper, and Shipper shall nominate for removal of the parked quantities and/or return of the loaned quantities within the timeframe specified in NBP's notice, which in no instance shall be less than one (1) Day. Any parked quantity not nominated for removal within the timeframe specified by NBP's notice shall become the property of NBP at no cost to NBP, free and clear of any adverse claims. Any loaned quantities not nominated to be returned within the time frame specified by NBP's notice shall be sold to Shipper at one hundred and fifty percent (150%) of the average weekly price of gas as calculated in Section 5.3.4 paragraph 3 below.

3. The price of gas will be equal to the SoCal Gas ~~large packages~~ average weekly price as reported in Gas Daily (Daily Price Survey).

4. All penalties assessed and the value of all gas confiscated pursuant to the terms of this Section 5.3.4 shall be credited back, net of costs, to all Shippers in accordance with Section 6.16.4 of the General Terms and Conditions of Service of this FERC Gas Tariff.

5.3.5 COMMISSION AND OTHER REGULATORY FEES

Shippers will reimburse NBP for any separately stated fees required by the Commission or any other federal or any state regulatory body.

5.3.6 GENERAL TERMS AND CONDITIONS OF SERVICE

All of the General Terms and Conditions of Service except Section 6.37 are applicable to this rate schedule, unless otherwise stated in the executed PAL Service Agreement between NBP and Shipper. Any future modifications, additions or deletions to said General Terms and Conditions of Service, unless otherwise provided, are applicable to parking and lending service rendered under this rate schedule, and by this reference, are made a part hereof.

6.1. DEFINITIONS

1. Asset Manager: A party that agrees to manage gas supply and delivery arrangements, including transportation and storage capacity, for another party. The asset manager uses released capacity to serve the gas supply requirements of the releasing shipper and, when the capacity is not needed for that purpose, uses the capacity to make releases or bundled sales to third parties.

2. Backhaul: Transportation service on NBP's system in the opposite direction of a Forward Haul as defined in Section 6.1 paragraph 14 below.

3. Bid Period: The period of time during which a Replacement Shipper may bid to contract for a parcel which has been posted for release by a Releasing Shipper.

4. Bid Reconciliation Period: The period of time subsequent to the Bid Period during which bids are evaluated by NBP.

5. Btu: The term "Btu" shall mean British Thermal Unit. The term "MMBtu" shall mean one million (1,000,000) British Thermal Units. The reporting basis for Btu shall be standardized as 14.73 dry psia and 60 degrees (60°) Fahrenheit (101.325 kPa and 15.6 degrees C).

6. Business Day: The term "Business Day" shall mean Monday through Friday, excluding U.S. Federal Banking Holidays for transactions in the United States and similar holidays for transactions occurring in Canada and Mexico.

7. Cash Out Index Price: The price calculated as the average "SoCal Gas" price, as reported in Gas Daily's Daily Price Survey, for the month in which an imbalance occurs.

8. Commission: The Federal Energy Regulatory Commission.

9. Cubic Foot of Gas: The term "cubic foot of gas" is defined in accordance with NAESB Standard 2.3.9, as that quantity of gas which measures one (1) cubic foot at standard conditions of 14.73 psia at 60 degrees F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa at 15 degrees C and dry. Standard 2.3.9, states in full "Standardize the reporting basis for Btu as 14.73 psia at 60 degrees F (101.325 kPa at 15 degrees C) and dry. Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm2 at 15.6 degrees C and dry. Standardize the reporting basis for gas volumes as cubic foot at standard conditions of 14.73 psia, 60 degrees, F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C, and dry."

NAESB WGQ takes no position on the basis upon which transactions are communicated to trading partners and/or regulatory agencies, as applicable, nor does NAESB WGQ state whether transactions may take place between parties on a volumetric basis.

10. Dekatherm: The term "Dekatherm" or "Dth" is the quantity of heat energy equivalent to one million (1,000,000) British Thermal Units (MMBtu). Dth is the standard quantity for Nominations, Confirmations and Scheduled Quantities in the United States. For purposes of this tariff and associated Service Agreements, the terms MMBtu and Dth are synonymous.

11. Energy Affiliate: The term "Energy Affiliate" shall have the meaning provided in Commission Order No. 2004, et seq.

12. Existing Capacity: Capacity that has been in-service beyond the initial terms of Agreements that originally supported the construction of such capacity. Existing Capacity additionally includes capacity that is still within such initial terms where Shipper Agreements pertaining to the capacity have been terminated by the pipeline. Existing Capacity additionally includes unsubscribed capacity created as part of a pipeline expansion project.

13. Expansion Capacity: Original system capacity or capacity that is added to the pipeline system as part of a system expansion project where such capacity is still within the initial contract term(s) of the Agreement(s) that originally supported the construction of such capacity. Expansion Capacity includes permanent releases of capacity that are within the initial term of an original Shipper's contract.

14. Forward Haul: The term "Forward Haul" shall refer to transportation service on NBP's system in which the nominated direction of flow from receipt point to delivery point is in the same direction as physical gas flow on the NBP system.

15. Gas: The word "gas" shall mean natural gas.

16. Gas Day: In accordance with NAESB Standard 1.3.1, the term "Gas Day" shall mean 9:00 a.m. to 9:00 a.m. Central Clock Time (7:00 a.m. to 7:00 a.m. Pacific Clock Time).

17. Gross Heating Value: The term "gross heating value" shall mean the number of Btus in a cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit, saturated with water vapor, and at an absolute pressure equivalent to thirty (30) inches of mercury at thirty-two degrees (32°) Fahrenheit.

18. Internet website: The term "Internet website" shall mean NBP's electronic communication system which shall be available to any Shipper and found at https://ebb.tceconnects.com/infopost/.

19. Intraday Nomination:– A Nomination submitted after the Nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of the Gas Day.

20. Match Period: The period of time subsequent to the Bid Reconciliation Period and before the notification deadline for awarding capacity for Prearranged Deals that require bidding. During this period the Prearranged Shipper may match any higher bids for the Parcel.

21. Maximum Daily Quantity: The term "Maximum Daily Quantity" or "MDQ" shall mean the maximum daily quantity in Dth of gas which NBP agrees to deliver exclusive of an allowance for compressor station fuel, line loss and other unaccounted for gas and transport for the account of Shipper to Shipper's point(s) of delivery on each day during the term of Shipper's Transportation Service Agreement with NBP.

22. Mcf: The term "Mcf" shall mean one thousand (1,000) cubic feet of gas and shall be measured as set forth in Section 6.4 hereof. The term "MMcf" shall mean one million (1,000,000) cubic feet of gas.

23. Month: The word "month" shall mean a period extending from the beginning of the first day in a calendar month to the beginning of the first day in the next succeeding calendar month.

24. Negotiated Rate: A rate (including a Negotiated Rate Formula) that NBP and a Shipper have agreed will be charged for service under Rate Schedules FTS-1, ITS-1, or PAL where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or be less than the minimum rate, for such component set forth in NBP's tariff for the given service. Any Agreement entered into after the effective date of this subsection which provides for a rate under Rate Schedules FTS-1, ITS-1, PAL other than the applicable maximum rate shall contain a provision setting out the mutual agreement of the parties as to whether the pricing terms represent a discounted rate or a negotiated rate.

25. Negotiated Rate Formula: A rate formula that NBP and a Shipper have agreed will apply to service under a specific contract under Rate Schedules FTS-1, ITS-1, PAL which results in a rate where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or may be

less than the minimum rate, for such component set forth in NBP's Tariff for the given service.

26. Nomination: The provision of information to NBP necessary to effectuate a transportation transaction. Specific Nomination procedures are set forth in Section 6.14 of these General Terms and Conditions of Service.

27. North American Energy Standards Board Standards: The term "North American Energy Standards Boards Standards" or "NAESB Standards" shall mean the standardized business practices and electronic communication practices promulgated by the North American Energy Standards Board from time to time and incorporated in the Code of Federal Regulations by the Federal Energy Regulatory Commission.

28. Parcel: The term utilized to describe an amount of capacity, expressed in Dth/d, from a specific receipt point to a specific delivery point for a specific period of time which is released and bid on pursuant to the capacity release provisions contained in Section 6.19 of these General Terms and Conditions of Service.

29. Posting Period: The period of time during which a Releasing Shipper may post, or have posted by the pipeline, all or a part of its service for release to a Replacement Shipper.

30. Primary Path: The transportation path established by the receipt and delivery points as set forth in Shipper's executed Service Agreement. A Shipper's Primary Path may be either a Forward Haul or a Backhaul as defined in Section 6.1 paragraphs 2 and 14 above.

31. Primary Release: The term used to describe the initial release of capacity by a Shipper to a Replacement Shipper.

32. Psig: The term "psig" shall mean pounds per square inch gauge.

33. Recourse Rate: The term “Recourse Rate” shall mean the applicable maximum rate that would apply to each respective Rate Schedule as set forth in the Statement of Rates of this FERC Gas Tariff.

34. Release Term: The period of time during which a Releasing Shipper intends to release, or has released all or a portion of its contracted quantity of service to a Replacement Shipper.

35. Releasing Shipper: A firm transportation Shipper that intends to post its service to be released to a Replacement Shipper, has posted the service for release, or has released its service.

36. Replacement Shipper: A Shipper that has contracted to utilize a Releasing Shipper's service for a specified period of time.

37. Reverse Path: The transportation path that is in the opposite direction of that Shipper's Primary Path as defined in Section 6.1 paragraph 30 above. A Shipper's Reverse Path may be either a Forward Haul or a Backhaul as defined in Section 6.1 paragraphs 2 and 14 above. Reverse Path transactions rely upon secondary point rights and are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.

38. Secondary Release: The term used to describe the release of capacity by a Replacement Shipper to a different Replacement Shipper.

~~1. Gas Day: In accordance with NAESB Standard 1.3.1, the term "Gas Day" shall mean 9:00 a.m. to 9:00 a.m. Central Clock Time (7:00 a.m. to 7:00 a.m. Pacific Clock Time).~~

~~2. Business Day: The term "Business Day" shall mean Monday through Friday, excluding U.S. Federal Banking Holidays for transactions in the United States and similar holidays for transactions occurring in Canada and Mexico.~~

~~3. Month: The word "month" shall mean a period extending from the beginning of the first day in a calendar month to the beginning of the first day in the next succeeding calendar month.~~

~~4. Maximum Daily Quantity: The term "Maximum Daily Quantity" or "MDQ" shall mean the maximum daily quantity in Dth of gas which NBP agrees to deliver exclusive of an allowance for compressor station fuel, line loss and other unaccounted for gas and transport for the account of Shipper to Shipper's point(s) of delivery on each day during the term of Shipper's Transportation Service Agreement with NBP.~~

~~5. Gas: The word "gas" shall mean natural gas.~~

~~6. Cubic Foot of Gas: The term "cubic foot of gas" is defined in accordance with NAESB Standard 2.3.9, as that quantity of gas which measures one (1) cubic foot at standard conditions of 14.73 psia at 60 degrees F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa at 15 degrees C and dry. Standard 2.3.9, states in full "Standardize the reporting basis for Btu as 14.73 psia at~~

~~60 degrees F (101.325 kPa at 15 degrees C) and dry. Standardize the reporting basis for gigacalorie as 1.035646 Kg/cm2 at 15.6 degrees C and dry. Standardize the reporting basis for gas volumes as cubic foot at standard conditions of 14.73 psia, 60 degrees, F and dry. For gas volumes reported in cubic meters, the standard conditions are 101.325 kPa, 15 degrees C, and dry."~~

~~NAESB WGQ takes no position on the basis upon which transactions are communicated to trading partners and/or regulatory agencies, as applicable, nor does NAESB WGQ state whether transactions may take place between parties on a volumetric basis.~~

~~7. Mcf: The term "Mcf" shall mean one thousand (1,000) cubic feet of gas and shall be measured as set forth in Section 6.4 hereof. The term "MMcf" shall mean one million (1,000,000) cubic feet of gas.~~

~~8. Dekatherm: The term "Dekatherm" or "Dth" is the quantity of heat energy equivalent to one million (1,000,000) British Thermal Units (MMBtu). Dth is the standard quantity for Nominations, Confirmations and Scheduled Quantities in the United States. For purposes of this tariff and associated Service Agreements, the terms MMBtu and Dth are synonymous.~~

~~9. Btu: The term "Btu" shall mean British Thermal Unit. The term "MMBtu" shall mean one million (1,000,000) British Thermal Units. The reporting basis for Btu shall be standardized as 14.73 dry psia and 60 degrees (60°) Fahrenheit (101.325 kPa and 15.6 degrees C).~~

~~10. Gross Heating Value. The term "gross heating value" shall mean the number of Btus in a cubic foot of gas at a temperature of sixty degrees (60°) Fahrenheit, saturated with water vapor, and at an absolute pressure equivalent to thirty (30) inches of mercury at thirty-two degrees (32°) Fahrenheit.~~

~~11. Psig. The term "psig" shall mean pounds per square inch gauge.~~

~~12. Releasing Shipper: A firm transportation Shipper that intends to post its service to be released to a Replacement Shipper, has posted the service for release, or has released its service.~~

~~13. Replacement Shipper: A Shipper that has contracted to utilize a Releasing Shipper's service for a specified period of time.~~

~~14. Posting Period: The period of time during which a Releasing Shipper may post, or have posted by the pipeline, all or a part of its service for release to a Replacement Shipper.~~

~~15. Release Term: The period of time during which a Releasing Shipper intends to release, or has released all or a portion of its contracted quantity of service to a Replacement Shipper.~~

~~16. Bid Period: The period of time during which a Replacement Shipper may bid to contract for a parcel which has been posted for release by a Releasing Shipper.~~

~~17. Parcel: The term utilized to describe an amount of capacity, expressed in Dth/d, from a specific receipt point to a specific delivery point for a specific period of time which is released and bid on pursuant to the capacity release provisions contained in Section 6.19 of these General Terms and Conditions of Service.~~

~~18. Primary Release: The term used to describe the initial release of capacity by a Shipper to a Replacement Shipper.~~

~~19. Secondary Release: The term used to describe the release of capacity by a Replacement Shipper to a different Replacement Shipper.~~

~~20. Bid Reconciliation Period: The period of time subsequent to the Bid Period during which bids are evaluated by NBP.~~

~~21. Match Period: The period of time subsequent to the Bid Reconciliation Period and before the notification deadline for awarding capacity for Prearranged Deals that require bidding. During this period the Prearranged Shipper may match any higher bids for the Parcel.~~

~~22. Nomination: The provision of information to NBP necessary to effectuate a transportation transaction. Specific Nomination procedures are set forth in Section 6.14 of these General Terms and Conditions of Service.~~

~~23. Intraday Nomination: A Nomination submitted after the Nomination deadline whose effective time is no earlier than the beginning of the Gas Day and runs through the end of the Gas Day.~~

~~24. North American Energy Standards Board Standards: The term "North American Energy Standards Boards Standards" or "NAESB Standards" shall mean the standardized business practices and electronic communication practices promulgated by the North American Energy Standards Board from time to time and incorporated in the Code of Federal Regulations by the Federal Energy Regulatory Commission.~~

~~25. Forward Haul: The term "Forward Haul" shall refer to transportation service on NBP's system in which the nominated direction of flow from receipt point to delivery point is in the same direction as physical gas flow on the NBP system.~~

~~26. Backhaul: Transportation service on NBP's system in the opposite direction of a Forward Haul as defined in Section 6.1 paragraph 25 above.~~

~~27. Primary Path: The transportation path established by the receipt and delivery points as set forth in Shipper's executed Service Agreement. A Shipper's Primary Path may be either a Forward Haul or a Backhaul as defined in Section 6.1 paragraphs 25 and 26 above.~~

~~28. Reverse Path: The transportation path that is in the opposite direction of that Shipper's Primary Path as defined in Section 6.1 paragraph 27 above. A Shipper's Reverse Path may be either a Forward Haul or a Backhaul as defined in Section 6.1 paragraphs 25 and 26 above. Reverse Path transactions rely upon secondary point rights and are subject to the operating conditions of NBP's pipeline and will not be made available to Shipper if NBP determines, in its sole discretion, that such transportation is operationally infeasible or otherwise not available.~~

~~29. Negotiated Rate: A rate (including a Negotiated Rate Formula) that NBP and a Shipper have agreed will be charged for service under Rate Schedules FTS-1, ITS-1, or PAL-1 where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or be less than the minimum rate, for such component set forth in NBP's tariff for the given service. Any Agreement entered into after the effective date of this subsection which provides for a rate under Rate Schedules FTS-1, ITS-1, PAL-1 other than the applicable maximum rate shall contain a provision setting out the mutual agreement of the parties as to whether the pricing terms represent a discounted rate or a negotiated rate.~~

~~30. Negotiated Rate Formula: A rate formula that NBP and a Shipper have agreed will apply to service under a specific contract under Rate Schedules FTS-1, ITS-1, PAL-1 which results in a rate where, for all or a portion of the contract term, one or more of the individual components of such rate may exceed the maximum rate, or may be less than the minimum rate, for such component set forth in NBP's Tariff for the given service.~~

~~31. Recourse Rate: The term "Recourse Rate" shall mean the applicable maximum rate that would apply to each respective Rate Schedule as set forth in the Statement of Rates of this FERC Gas Tariff.~~

~~32. Commission: The Federal Energy Regulatory Commission.~~

~~33. Existing Capacity: Capacity that has been in-service beyond the initial terms of Agreements that originally supported the construction of such capacity. Existing Capacity additionally includes capacity that is still within such initial terms where~~

~~Shipper Agreements pertaining to the capacity have been terminated by the pipeline. Existing Capacity additionally includes unsubscribed capacity created as part of a pipeline expansion project.~~

~~34. Expansion Capacity: Original system capacity or capacity that is added to the pipeline system as part of a system expansion project where such capacity is still within the initial contract term(s) of the Agreement(s) that originally supported the construction of such capacity. Expansion Capacity includes permanent releases of capacity that are within the initial term of an original Shipper's contract.~~

~~35. Cash Out Index Price: The price calculated as the average "SoCal" price, as reported in Gas Daily's Daily Price Survey, for the month in which an imbalance occurs.~~

~~36. Energy Affiliate: The term "Energy Affiliate" shall have the meaning provided in Commission Order No. 2004, et seq.~~

~~37. Asset Manager: A party that agrees to manage gas supply and delivery arrangements, including transportation and storage capacity, for another party. The asset manager uses released capacity to serve the gas supply requirements of the releasing shipper and, when the capacity is not needed for that purpose, uses the capacity to make releases or bundled sales to third parties.~~

6.8.1 Firm Transportation Service.

The provisions of this Section 6.8.1 shall be applicable to firm transportation service under Rate Schedule FTS-1 contained in this FERC Gas Tariff, First Revised Volume No. 1.

Firm transportation service under this Tariff shall be provided when, and to the extent that, NBP determines that firm capacity is available on NBP's existing facilities. NBP shall not be required to provide firm transportation service in the event firm capacity is unavailable or to construct new facilities to provide firm service.

A shipper receiving service under Rate Schedule FTS-1 that maintains compliance with NBP's creditworthiness requirements may renew or extend its contract term pursuant to a rollover or evergreen provision of the Service Agreement. NBP will offer rollover or evergreen provisions to similarly situated shippers on a nondiscriminatory basis.

(a) Available Firm Capacity.

NBP shall post available capacity on its Internet website. Capacity that becomes available may be sold on a first-come, first-served basis or may be subject to an open season bidding process.

When posted available firm capacity is not subject to an open season bidding process, requests for such capacity that reflect continuous service at a constant contract quantity for the entire term of service at the maximum rate will be honored on a first-come, first-served basis, if such requests for capacity fall within the following timelines:

Requested Service Term	Service Commencement Date
1 Year or Longer	6 Months from Service Request
> 92 Days but < 1 Year	30 Days from Service Request
<= 92 Days	5 Days from Service Request

NBP may agree, but is not obligated, to sell firm capacity outside of these timelines on a not unduly discriminatory basis including, but not limited to, capacity sales as set forth in Section 6.8.1(b) and (c) of these General Terms and Conditions of Service.

(b) Future Sales of Capacity.

NBP may sell firm capacity with service commencement dates more than one year in the future, when such capacity is either available unsubscribed capacity or capacity that will become available and is not subject to a right of first refusal or unilateral evergreen provision, by either conducting an open season or by selling such capacity on a pre-arranged basis.

If NBP conducts an open season, it will post notice of the open season on its Internet website. The minimum bid period will be five (5) ~~b~~Business ~~d~~Days. Any potential shippers wishing to acquire capacity may request an immediate or future commencement date (if the capacity is currently available) or only a future commencement date (if the capacity will only become available in the future).

If NBP sells capacity on a pre-arranged basis, it will post the terms of the pre-arranged transaction and other parties will have an opportunity to bid on the capacity. At the time NBP enters into a pre-arranged service agreement, NBP will post a notice on its Internet website indicating that the pre-arranged capacity will be subject to an open bidding process within three (3) ~~b~~Business ~~d~~Days, even if such capacity has already been subject to an open season bidding process and is currently posted as available capacity. If another party submits a bid with a higher incremental economic value, the pre-arranged Shipper will have a one-time right to match the higher bid in order to retain the capacity. If the pre-arranged Shipper elects not to match a higher competing bid, the capacity will be awarded to the highest creditworthy bidder in accordance with Section 6.9.1(d). If there is an open season ongoing for certain capacity, NBP will not enter into a pre-arranged deal for that capacity during the open season.

NBP will separately identify on its Internet website all capacity that is anticipated to become available and is not subject to a right of first refusal or unilateral evergreen provision. NBP will not enter into any pre-arranged deals for capacity that has not previously been posted on its Internet website.

Capacity that is reserved pursuant to this Section 6.8.1(b) will be made available for transportation service on an interim basis up to the commencement date of the service agreement for the future capacity sale. For such interim service agreements, NBP reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. Transporter will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

(c) Construction of New Firm Capacity.

In the event NBP receives requests for firm transportation service in excess of available firm capacity, or market circumstances otherwise indicate that additional capacity may be desired, NBP may construct facilities necessary to meet additional market demand. Prior to constructing new capacity, NBP shall hold an Open Season as set forth in Section 6.9 below to solicit Requests for Service utilizing capacity that may be constructed. NBP shall have no obligation to construct facilities if, in NBP's sole determination, such facilities are not economically justifiable.

(d) Reservation of Capacity for Expansion Projects.

1. Applicability.

NBP may elect to reserve, for future expansion projects, unsubscribed firm capacity or capacity under expiring or terminating firm transportation agreements where such agreements do not carry a right of first refusal, or evergreen right, or where Shipper does not exercise its right of first refusal, or where a party has elected termination under an evergreen.

2. Time Period.

Capacity may only be reserved for a future expansion project for which an open season has been held or will be held. Capacity may be reserved for up to one year prior to NBP filing for certificate approval for the proposed expansion, and thereafter until such expansion is placed into service.

3. Notice to Shipper.

Prior to reserving capacity for future expansion projects under this section, the subject capacity must have first been made available pursuant to Section 6.8.1(a) above. Capacity that remains available after the posting and bidding procedure outlined in Section 6.9 may be reserved by NBP by means of a posting on NBP’s Internet website that shall include:

(a) A description of the expansion project for which the capacity will be reserved;

(b) The total quantity of capacity to be reserved;

(c) The location of the proposed reserved capacity on NBP’s system;

(d) When NBP anticipates holding an open season or otherwise posting the capacity for bidding in connection with the expansion project;

(e) The projected in-service date of the expansion project; and

(f) On an ongoing basis, how much of the reserved capacity has been sold on a limited-term basis.

4. Solicitation of Turnback Capacity.

If capacity that is reserved for an expansion project is insufficient to fully meet the needs of expansion shippers, the expansion open season posting will include a non-binding solicitation for turnback capacity from NBP's existing Shippers to serve the expansion project. NBP shall post, in the Informational Postings section of its Internet website, a non-binding solicitation for expansion project related turnback capacity no later than ninety (90) days after the close of an expansion project's open season specifying the minimum term for a response to the solicitation.

5. Interim Capacity.

Capacity that is reserved for a future expansion will be made available for transportation service on an interim basis up to the in-service date of the expansion project. For such interim service agreements, NBP reserves the right to limit Shipper extension rights, including the right of first refusal, within the service agreement. NBP will indicate in any open season posting of this capacity any limitations on extension rights that will apply to such interim transportation service.

6. Reposting of Capacity.

Any capacity reserved for a project that does not go forward for any reason shall be reposted as generally available within thirty (30) days of the date the capacity becomes available.

6.8.6 Electronic Contracting Agreement

NBP and Shipper may, and when required by the Tariff shall, enter into new or amended Service Agreements or Capacity Release Agreements by electronic communications through NBP's Internet website. NBP and Shipper may also by mutual agreement enter into any other contract through electronic communications. Service Agreements, Capacity Release Agreements pursuant to Section 6.19 (Capacity Release) and other agreements are collectively referred to as "Contracts" in this Section 6.8.6. The execution of Contracts electronically shall be governed by the provisions of this Section 6.8.6 and the Electronic Contracting Agreement.

(a) Prerequisites.

Requestor shall not be eligible to enter into a Contract electronically until requestor has executed and submitted to NBP an Electronic Contracting Agreement in the form contained in NBP's Internet website.

(b) Documents Standards.

NBP and Shipper may, and when required by the Tariff shall, electronically transmit to or receive from the other party any of the electronic forms (including Contracts) listed by NBP, currently or in the future, on the Blank Forms posted on NBP's Internet website, (collectively "Documents"). Any transmission of data that is not a Document shall have no force or effect between the parties unless justifiably relied upon by the receiving party.

(c) Signatures.

NBP shall adopt as its signature an electronic identification, and NBP shall furnish to Subscriber one or more unique electronic identifications (User Identification and Password). The employee(s) or officer(s) designated by Subscriber in the Electronic Contracting Agreement or the ID Request Form shall perform the contracting function for Subscriber and thereby legally bind Subscriber to any Contract with NBP by use of that person's assigned User Identification and Password. By entering into the Electronic Contracting Agreement, Subscriber represents and warrants that (i) the employee(s) or officer(s) identified in the Electronic Contracting Agreement or the ID Request Form have been duly and legally authorized to enter into and execute Contracts electronically on behalf of Subscriber, and (ii) all other persons designated by Subscriber to receive a User Identification and Password have been duly authorized to send and receive Documents other than Contracts. The Signature of a party affixed to or contained in any transmitted Document shall be irrebuttable proof that such party originated such Document. Neither party shall disclose to any unauthorized person the Signatures of the other party.

(d) Security Procedures.

Each party shall be responsible for ensuring that all electronic executions with Signatures and all transmissions of Documents are authorized, and for protecting its business records and data from improper access. Parties shall be responsible for securing physical access to each of its computers utilizing NBP's Internet website software and for keeping confidential its User Identification(s) and Password(s). NBP reserves the right to invalidate any User Identification or Password if it suspects a security breach.

(e) Pro Forma Service Agreement.

When a party affixes its Signature to a Contract and transmits the Contract to NBP, it shall be bound, as applicable, by (i) the terms and conditions of the applicable pro forma Service Agreement contained in this Tariff corresponding to the Rate Schedule under which that party is seeking service, or (ii) the terms and conditions of any generally available, non-jurisdictional agreement or contract that is a Document. The date of NBP's acceptance of an executed and properly transmitted Contract shall be deemed to be the date of execution for purposes of the Contract. The effective date and term of the Contract shall be determined in accordance with the provisions of Section 6.8 of the General Terms and Conditions, but NBP shall not be obligated to provide service to Subscriber prior to the date of acceptance.

(f) Termination.

Except as stated in Section 6.8.6(d), the Electronic Contracting Agreement shall remain in effect until terminated by either party with at least 48 hours prior written notice, which notice shall specify the effective date of termination; provided that: (i) the effective date of termination shall not precede the termination of any electronic Service Agreement or Transaction; (ii) any termination shall not affect the respective obligations or rights of the parties arising under any electronic Service Agreement or Documents, or otherwise arising under this Section prior to the effective date of termination; and (iii) any such termination by NBP shall be only for due cause or upon the request of Shipper.

(g) Terms and Conditions of Electronic Contracting Agreement.

The terms and conditions set forth in this Section 6.8.6(g) shall apply to the Electronic Contracting Agreements entered into by NBP and Shippers.

(1) The Electronic Contracting Agreement shall be considered to be an integral part of any Contract heretofore or hereafter entered into between NBP and Shipper.

(2) Execution of the Electronic Contracting Agreement shall evidence the parties' manual intent to create binding contractual obligations by means of the electronic transmission and receipt of Documents.

(3) Any Document properly transmitted in connection with any Transaction, Contract, or Electronic Contracting Agreement that includes a Signature ("Signed Documents") shall be deemed for all purposes (i) to have been "signed" and (ii) to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.

(4) The conduct of the parties under an Electronic Contracting Agreement, including the use of properly transmitted Signed Documents, shall, for all legal purposes, evidence a course of dealing and a course of performance accepted by the parties in furtherance of any Transaction, Contract, or Electronic Contracting Agreement.

(5) By executing the Electronic Contracting Agreement, the parties agree not to contest or assert as a defense the validity or enforceability of Signed Documents under the provisions of any law, including the Statute of Frauds, relating to whether certain agreements are to be in writing or signed by the party to be bound thereby. Signed Documents, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Signed Documents under the business records exception to the hearsay rule, the best evidence rule, or any other statute or rule of like kind or character on the basis that the Signed Documents were not originated or maintained in documentary form or any form not contemplated in the Electronic Contracting Agreement.

(6) Severability.

Any provision of the Electronic Contracting Agreement that is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of the Electronic Contracting Agreement or affecting the validity or enforceability of such remaining provisions.

(7) Entire Agreement.

The Electronic Contracting Agreement, the documents incorporated therein by reference, and the Documents transmitted pursuant to the Electronic Contracting Agreement shall (i) constitute the complete agreement of the parties relating to the matters specified in the Electronic Contracting Agreement, and (ii) supersede all prior representations or agreements, whether oral or written, with respect to such matters. No oral modification or waiver of any of the provisions of the Electronic Contracting Agreement shall be binding on either party. No modification of or supplement to the terms and provisions of the Electronic Contracting Agreement shall be effective unless it is executed by electronic communications through NBP's Internet website. No obligation to enter into any transaction is to be implied from the execution or delivery of the Electronic Contracting Agreement. The Electronic Contracting Agreement is for the benefit of, and shall be binding upon, the parties and their respective successors and assigns.

(h) Limitation of Damages.

(1) Neither party shall be liable to the other for any special, incidental, exemplary or consequential damages arising from or as a result of any delay, omission or error in the electronic transmission or receipt of any Documents pursuant to the Electronic Contracting Agreement, even if either party has been advised of the possibility of such damages.

(2) Shipper or any other party with access to NBP's Internet website shall defend and indemnify NBP from and against any and all claims, demands and actions, and any resulting loss, costs, damages and expenses (including court costs and reasonable attorney fees) that may be asserted against or imposed upon NBP by any person or entity as a result of the unauthorized or otherwise improper use of any User Identification or Password issued by NBP to that Shipper or other party.

6.9.1 Open Seasons for Existing Capacity.

To the extent NBP subjects available capacity to an open season bidding process, the open season will be conducted as set forth below.

(a) NBP will post available capacity for bidding on its Internet website. The Bid Period will be a minimum of (one) 1 business day for capacity available for up to one (1) month; a minimum of three (3) business days for capacity available for greater than one (1) month but less than one (1) year; and a minimum of five (5) business days for capacity available for one (1) year or more.

(b) Any entity that qualifies for service in accordance with Section 6.11 of the General Terms and Conditions of Service of this FERC Gas Tariff, including the credit conditions in Section 6.12, may submit a bid for posted capacity. All bids not withdrawn prior to the close of the Bidding Period shall be binding. At the end of the Bidding Period, NBP will evaluate the bids and determine the bid(s) having the greatest economic value as determined in Section 6.9.1(d) below.

(c) After the close of the Bidding Period, NBP may tender a Service Agreement for execution to the requestor(s) submitting the bid(s) having the greatest economic value for the capacity available, subject to the provisions of Section 6.9.1(e).

(d) Valuation of Bids.

Unless otherwise specified in its open season posting, the bid(s) with the greatest economic value will be the bid(s) with the highest net present value ("NPV") based on the reservation charge and any proposed usage charge revenues guaranteed by a minimum volume commitment or otherwise that requestor(s) would pay at the rates the requestor(s) has bid, over the term of service specified in the request.

If the economic values of separate bids are equal, then service shall be offered to such requestors on a pro-rata basis. The NPV is the discounted cash flow of the bid according to the following formula, net of revenues lost or affected by the request for service:

$$\text{Present Value per} = P * R * \frac{(1+i)^{n} - 1}{i\,(1+i)^{n}}$$

where:
P = percent of the rate or charge that the Shipper is willing to pay.

R = rate or charge calculated as: the applicable maximum authorized reservation charge(s) per Dth in effect at the time of the bid for service.

i = FERC's annual interest rate divided by 12.

n = number of months for which the bidder wishes to contract.

The NPV formula will be affected by the term and rate requested. In the event NBP intends to entertain bids for service under index-based or other Negotiated Rate Formulae, the future value of which cannot be determined at the time of the bidding, NBP shall estimate the future revenues to be received under the Negotiated Rate Formula using currently available data.

The specific bid evaluation methodology to be used, including, where appropriate, the data to be used for evaluation of Negotiated Rate Formula bids, will be included as part of NBP's open season posting under Section 6.9.1(a) with sufficient specificity to allow a prospective shipper to calculate the value of its bid and duplicate NBP's results.

Irrespective of whether a bid(s) has the highest NPV of the bids received, NBP may reject bids for service that (i) may detrimentally impact the operational integrity of NBP's system; (ii) do not satisfy all the terms of the specified posting; or (iii) contain terms and conditions other than those set forth in NBP's FERC Gas Tariff.

If the NPV of any Negotiated Rate revenues would exceed the NPV of the revenue stream produced by paying the Maximum Rate over the same period of time, then the Shipper bidding the Negotiated Rate shall be considered to be paying the Maximum Rate for the purpose of determining the bid with the highest economic value.

(e) If NBP accepts the winning bid(s) and tenders a Service Agreement, requestor(s) shall complete and return the Service Agreement ~~on a timely basis~~within thirty (30) days of receipt.

(f) Except as provided in Section 6.19, NBP shall not be obligated to tender or execute a Service Agreement for service at any rate less than the Maximum Rate set forth in the Statement of Effective Rates and Charges for Transportation of Natural Gas applicable to the service requested.

6.12.1 Creditworthiness for Firm Transportation Service.

NBP shall not be required to perform or to continue transportation service under this FERC Gas Tariff, First Revised Volume No. 1, on behalf of any Shipper who fails to comply with NBP's creditworthiness standards. If Shipper is found by NBP to be non-creditworthy, NBP will, upon request, inform Shipper in writing as to the reasons Shipper has been deemed non-creditworthy.

If Shipper's credit standing ceases to meet NBP's credit requirements during the period of service, Shipper must, within five (5) B~~b~~usiness ~~d~~Days, pay for one month of service in advance to continue service. Shipper must, within thirty (30) days, provide an acceptable guarantee or either a cash security deposit or letter of credit, consistent with NBP's applicable creditworthiness standards. For shippers utilizing Expansion Capacity on lateral facilities, the security that must be provided within thirty (30) days will not be greater than a shipper's pro rata share of the total facilities costs, and such security will be reduced over time in proportion to the shipper's contract term. If Shipper fails to provide the required security within this time frame, NBP may suspend service immediately. Further, NBP may provide simultaneous written notice to Shipper and the Commission that it will terminate service in thirty (30) days if Shipper fails to provide security. Transporter also may exercise any other remedy available to Transporter hereunder, at law or in equity. Shippers shall provide, initially and on a continuing basis, financial statements, evidence of debt and/or credit ratings, and other such information as is reasonably requested by NBP to establish or confirm Shipper's qualification for service. Credit limits will be established based on the level of requested service and Shipper creditworthiness, as established by the following:

(a) Creditworthiness must be evidenced by a rating for unenhanced senior unsecured debt of at least BBB- by Standard & Poors, Baa3 by Moody's, or an equivalent rating as determined by NBP. In the event that a split rating occurs between rating agencies, NBP will rely upon the lower of the ratings. This rating must be a "foreign currency" rating if the Shipper is domiciled outside of the United States. "Local currency" ratings are unacceptable unless the Shipper's local currency is US Dollars (e.g. Puerto Rico). Shipper credit limits for firm transportation will be established by NBP based upon the audited financial statements for the Shipper's two most recent fiscal years, all interim reports, and any other relevant information.

An equivalent rating may be obtained in one of two ways:

(i) If Shipper's debt is not rated by a recognized debt rating service, Shipper may request an equivalent rating as determined by NBP, based on the financial rating methodology, criteria and ratios for the industry of the Shipper as published by the above rating agencies from time to time. In general, such equivalent rating will be based on the audited financial statements for the

Shipper's two most recent fiscal years, all interim reports, and any other relevant information.

(ii) If Shipper's debt is not rated by a recognized debt rating service, Shipper may, at its own expense, obtain a private rating from a debt rating service acceptable to NBP, or request that an independent accountant or financial advisor, mutually acceptable to NBP and the Shipper, prepare an equivalent evaluation based on the financial rating methodology, criteria, and ratios for the industry of the Shipper as published by the above rating agencies.

(b) Shipper will be deemed to be non-credit-worthy if it is rated below a BBB-/Baa3 equivalent standard by any rating agency or if its credit limit is insufficient to cover Shipper's total collateral requirement, as described in Section 6.12.6 of these General Terms and Conditions of Service. If Shipper does not establish or maintain creditworthiness as described above, or if Shipper's credit limit as determined by NBP is insufficient to cover Shipper's contractual obligations, Shipper has the option of receiving transportation service under this FERC Gas Tariff by providing to NBP one of the following alternatives:

(i) Guarantee: Shipper may obtain a guarantee of financial performance in a form satisfactory to NBP from a corporate affiliate of the Shipper or a third party, either of which meets the creditworthiness standard discussed above. For these Shippers the credit limit will be based upon the financials of the guarantor. A form of guarantee is available on NBP's Internet website.

(ii) Cash Security Deposit: A Shipper may provide a cash security deposit for service via cleared check or wire transfer. For Existing Capacity, the cash security deposit amount must be sufficient to cover the value of three (3) months' worth of applicable transportation charges. For contracts with a term of less than one (1) year, the cash security deposit amount must be sufficient to cover the value of up to three (3) months' worth of applicable transportation charges. For Expansion Capacity on lateral facilities, the pipeline will not require a cash security deposit greater than Shipper's pro rata share of the total facilities costs, and such cash security deposit will be reduced over time in proportion to Shipper's contract term, consistent with Section 6.12.3 of these General Terms and Conditions. NBP will pay interest on cash security deposits at the applicable monthly "Federal Funds (effective)" rate published in the Federal Reserve Statistical Report H.15.

(iii) Letter of Credit: Shipper may post a Letter of Credit (LC) in a form acceptable to NBP. A form of LC is available on NBP's Internet website. For Existing Capacity, the amount of LC must be sufficient to cover the value of three (3) months' worth of applicable transportation charges. For contracts with a term of less than one (1) year, the amount of the LC must be sufficient to cover the value of up to three (3) months' worth of applicable transportation charges. For Expansion Capacity on lateral facilities, the pipeline will not require an LC greater than Shipper's pro rata share of the total facilities costs, and such LC will be reduced over time in proportion to Shipper's contract term, consistent with Section 6.12.3 of these General Terms and Conditions.

(iv) Any other security mutually agreed upon by Shipper and NBP. Such other security shall be accepted on a nondiscriminatory basis.

6.12.5 Creditworthiness for Lending Service.

The standards for Interruptible Transportation Service apply to NBP's interruptible PAL~~-1~~ Services. For lending service, however, the security requirement shall include an amount to adequately account for the value of the gas being loaned, which shall be for an amount up to Shipper's loaned quantity times the average annual "SoCal Gas" price, as reported in Gas Daily's Daily Price Survey, for the preceding 12-month period ended October 31. NBP shall have no obligation to lend any quantity of gas beyond amounts for which NBP holds security.

6.16.2 Actual Delivered Quantity Exceeds Actual Confirmed Receipt Quantity.

A net negative imbalance shall exist if the difference between the quantity received (nominated, scheduled, and confirmed) and the quantity delivered, taking into account the reduction in quantity for compressor fuel use, yields a negative result. Commencing upon notification by NBP of the existence of the negative imbalance, and to the extent that the NBP system is not constrained or its integrity is not threatened and NBP has not issued an Operational Flow Order, Shipper shall have three (3) days to correct the imbalance.

Remedies:

Where NBP has facilities in place, NBP may utilize flow control to limit shipper deliveries to even hourly rates equal to one twenty-fourth (1/24th) of a Shipper's Maximum Daily Quantity, consistent with Section 6.14.5 of these General Terms and Conditions of Service. Shippers may schedule with NBP using the nomination process to eliminate or reduce negative imbalances. Shippers may also resolve negative imbalances through the use of Rate Schedule PAL~~-1~~ Service. In addition, in accordance with this Section 6.16, Shipper may net or trade imbalances to eliminate or reduce negative imbalances.

If, at the end of the three (3) day period the difference between the actual quantity received and the delivered quantity is in excess of five (5) percent of the delivered quantity or one thousand (1000) Dth, whichever is greater, the excess quantity shall be subject to a penalty equal to twice the rate for service under Rate Schedule ITS-1 as set forth in effective Section 4.1. If the imbalance is not corrected within forty-five (45) days of NBP's notice of an imbalance, the imbalance shall be cashed-out at a premium to the Cash Out Index Price as follows:

(i)

Imbalance Percent	Cash Out Index Price Premium
0% - 5%	0%
> 5% - 10%	10%
>10% - 15%	15%
>15% - 20%	20%
>20%	25%

(ii) Shipper's final imbalance on any Agreement shall be cashed out at a price calculated by multiplying the final imbalance by the applicable rate as determined above.

(iii) Cash out amounts received by NBP will be used to offset any purchases of linepack necessitated by Shipper's imbalance. Net cash will be credited to all shippers in accordance with Section 6.16.4.

In the event the operational integrity of NBP's system is threatened, NBP may, without notice, adjust Shipper requests for confirmation from receipt or delivery markets on NBP's system. In addition, NBP may issue an Operational Flow Order consistent with Section 6.18 of these General Terms and Conditions of Service, and Shipper will be subject to tolerances and penalties as provided for in Section 6.18.5.

6.16.3 Actual Confirmed Receipt Quantity Exceeds Actual Delivered Quantity.

A net positive imbalance shall exist if the difference between the quantity received (nominated, scheduled, and confirmed) and the quantity delivered, taking into account the reduction in quantity for compressor fuel use, yields a positive result. Commencing upon notification by NBP of the existence of the imbalance, and to the extent that the NBP system is not constrained or its integrity is not threatened and NBP has not issued an Operational Flow Order, Shipper shall have three (3) days to correct the imbalance.

Remedies:

Shippers may schedule with NBP using the nomination process to eliminate or reduce positive imbalances. Shippers may also resolve positive imbalances through the use of Rate Schedule PAL~~-1~~ Service. In addition, in accordance with this Section 6.16, Shipper may net or trade imbalances to eliminate or reduce positive imbalances.

If, at the end of the three (3) day period the difference between the actual quantity received and the delivered quantity is in excess of five (5) percent of the delivered quantity or 1000 Dth, whichever is greater, the excess quantity shall be subject to a penalty equal to twice the rate for service under Rate Schedule ITS-1 as set forth in effective Section 4.1. If the imbalance is not corrected within 45 days of NBP's notice of an imbalance, NBP shall be able to retain the remaining imbalance quantity without compensation to the Shipper and free and clear of any adverse claim. Quantities retained by NBP will be sold in accordance with Section 6.38 of these Transportation General Terms and Conditions, and the proceeds from the sale of the confiscated gas will be credited to all shippers in accordance with Section 6.16.4.

In the event the operational integrity of NBP's system is threatened, NBP may, without notice, adjust Shipper requests for confirmation from receipt or delivery markets on NBP's system. In addition, NBP may issue an Operational Flow Order consistent with Section 6.18 of these General Terms and Conditions of Service, and Shipper will be subject to tolerances and penalties as provided for in Section 6.18.5.

Imbalance determinations as described above will be performed on a daily basis and each daily occurrence will constitute a separate incident. It is recognized and understood that in the event more than one penalty provision may apply to a single imbalance incident, only the most onerous penalty will apply.

Imbalance and overrun penalties will be based on the lesser of the impact from operational or actual data. In the event that any penalty would otherwise be applicable under these provisions as a direct consequence of any action or failure to take action by NBP or the failure of any facility under NBP's control, or an event of force majeure as defined in these General Terms and Conditions of Service, said penalty shall not apply.

Interruptible Shippers will be notified whether penalties will apply on the day their volumes are reduced. NBP shall waive non-critical penalties for bumped shippers on the day of the bump. Waiver of non-critical penalties shall not relieve the shipper from the obligation to take corrective action to eliminate ongoing imbalances.

The payment of a penalty in dollars pursuant to this Section 6.16 shall under no circumstances be considered as giving any Shipper the right to deliver or take overrun quantities.

6.18.3 OFO Notice Procedures. All OFOs will be posted on NBP's Internet website, to be followed by a ~~facsimile,~~ written notice or other mutually agreeable means of electronic communication to affected Shippers/OBA Operators that will set forth the causes or conditions necessitating the OFO. NBP will issue an OFO as expeditiously as is reasonable and practicable in the circumstances. When practicable, NBP will provide sufficient notice to customers to accommodate scheduling requirements on upstream pipelines. Each OFO will contain the following provisions:

(a) time and date of issuance;

(b) time that OFO is considered to be effective (if no time is specified, the OFO will be effective immediately);

(c) duration of the OFO (if not specified, the OFO will be effective until further notice);

(d) the party or parties receiving the OFO;

(e) the quantity of gas required to remedy the operational condition requiring the issuance of the OFO; and

(f) any other term NBP may reasonably require to ensure the effectiveness of the OFO.

NBP will post information about the status of operational variables that will determine when an OFO will begin and end. NBP will post a notice on its Internet website informing Shipper(s)/OBA Operator(s) when any OFO in effect will be canceled. Following the issuance of an OFO, NBP will post information on the factors that caused the OFO to be issued and then lifted as soon as it is available.

6.18.5 Failure to Comply with OFO. Upon the issuance of an OFO by NBP, it shall be incumbent upon Shipper/OBA Operator to adjust Gas supplies as directed within the time frame specified in the OFO. Failure to comply in a timely fashion with an OFO may result in an immediate interruption of all or a portion of Shipper's service or service at a point covered by an OBA and cause Shipper/OBA Operator to incur a penalty of $25 per Dth plus the Spot Index Price (equal to the SoCal Gas ~~large packages~~ price as reported in Gas Daily's Daily Price Survey) per Dth for all quantities in excess of that allowed under the OFO. The payment of unauthorized overrun penalties does not create the right to exceed the levels established by an OFO.

6.19.1 Eligibility to Release.

Any firm Shipper which contracts for firm transportation service under Part 284 of the Commission's regulations may release all or a part of its capacity under an existing Transportation Service Agreement on a permanent basis, or on a temporary basis. Any Replacement Shipper which has previously contracted for a Parcel may also release its capacity to another party as a S~~s~~econdary R~~r~~elease subject to the terms and conditions described herein. The Releasing Shipper, whether a primary or secondary capacity holder, must comply with the Release Procedures provided in Section 6.19.3 below.

If a Shipper elects to temporarily release its capacity, the obligations associated with the released capacity remain with the original Releasing Shipper. A temporary release is subject to recall, if so specified. Upon temporarily releasing a Parcel, consistent with the terms and conditions described herein, the Releasing Shipper shall remain ultimately liable for all reservation charges billable for the originally contracted service. At the end of the term of the temporary release, all contractual rights and obligations revert to the original Releasing Shipper.

If a Shipper elects to permanently release all or part of its capacity for the remaining term of Releasing Shipper's existing Transportation Service Agreement, and NBP determines that it will be financially indifferent to the release to the Replacement Shipper, NBP will release Releasing Shipper from all of its obligations arising from service provided pursuant to the existing Transportation Service Agreement prospectively from the date of permanent release. However, Releasing Shipper will remain obligated for any fees, surcharges, or other obligations related to service provided under Releasing Shipper's existing Transportation Service Agreement prior to the date of its permanent assignment. If Shipper's request to permanently release capacity is denied because NBP has a reasonable basis to conclude that it will not be financially indifferent to the release, NBP shall notify the Releasing Shipper and the Replacement Shipper in writing of the reason(s) for such denial.

6.22 FLEXIBLE RECEIPT AND DELIVERY POINTS

1. Firm Service.

(a) Addition of a Receipt Point.

Any firm Shipper receiving service under Part 284 of the Commission's regulations is entitled to use the receipt point specified in its service agreement as a primary receipt point. A firm Shipper may add a secondary receipt point at any time during the life of the contract.

To the extent additional meter station capacity or other facilities are required to effect the receipt point change, NBP will construct the additional capacity consistent with Section 6.25.

(b) Changing a Receipt Point.

A firm Shipper may change primary receipt points to a different receipt point provided sufficient receipt point capacity exists at the receiving meter station and subject to any operating constraints. To the extent additional meter station capacity or other facilities are required to effect the receipt point change, NBP will construct the additional capacity at the firm Shipper's expense consistent with Section 6.25.

(c) Addition of a Delivery Point.

Each firm Shipper is entitled to an allocation of its MDQ to a delivery point(s) as its primary delivery point(s).

A firm Shipper may add secondary delivery points at any time during the life of the contract. To the extent additional meter station capacity is required to effect the delivery point(s) change, and subject to any operating constraints NBP will construct the additional capacity consistent with Section 6.25.

(d) Changing a Delivery Point.

A firm Shipper may change primary delivery points to a different delivery point. A firm shipper may not change its Primary Delivery Point to a location that would change the direction of flow of the Shipper's Primary Path as defined in Section 6.1 paragraph 30~~27~~ of this FERC Gas Tariff, although a Firm Shipper may initiate Reverse Path transactions which rely upon secondary point rights. Changes in delivery points will be permitted provided sufficient delivery point capacity exists at the delivery meter station. To the extent additional meter station and subject to any operating constraints capacity is required to effect the delivery point change, NBP will construct the additional capacity at the firm Shipper's expense consistent with Section 6.25.

(e) Returning to a Former Receipt or Delivery Point.

A Firm Shipper that changes a Receipt or Delivery Point in accordance with this Section 6.22 or that reacquires capacity that the Shipper had released shall be entitled to return to its original Receipt or Delivery Points provided sufficient capacity exists at such point and subject to any operating constraints. To the extent additional facilities are necessary to effectuate such a return, NBP will construct additional capacity at the Firm Shipper's expense consistent with Section 6.25.

6.36 ELECTRONIC COMMUNICATIONS

1. NBP maintains an Internet website at ~~www.tcplus.com/northbaja.~~https://ebb.tceconnects.com/infopost/. ~~-~~Any entity may access this site to review informational postings concerning NBP's system.

2. Electronic Transactions. Any entity desiring to engage in electronic transactions with NBP through its Internet website shall first execute an electronic transaction agreement. Copies of these agreements may be obtained on NBP's Internet website.

3. Electronic Data Interface: NBP shall maintain an electronic data interface ("EDI") as required by the standards for electronic delivery mechanisms promulgated by NAESB and incorporated in Section 6.40 of this Tariff. EDI is available to any party with access to compatible equipment for electronic communication and transmission of data in accordance with the NAESB standards. A party desiring to utilize this EDI interface first shall execute an Electronic Data Interchange Agreement with NBP. Such Agreement may be either the Standard Form Agreement developed by the NAESB or an alternate Agreement as may be agreed to by the parties. Access to NBP's EDI system is obtained by contacting Commercial Services through the help line listed on NBP's Internet website.

6.40 NAESB WGQ STANDARDS

Compliance with 18 CFR, Section 284.12

NBP has adopted the Business Practices and Electronic Communications Standards, NAESB WGQ Version 4.0, , and the standard revised by Minor Correction MC24002 marked with an asterisk [*], which are required by the Commission in 18 CFR Section 284.12(a), as indicated below. Standards without accompanying identification or notations are incorporated by reference. Standards that are not incorporated by reference are identified along with the tariff record in which they are located. Standards for which waivers or extensions of time have been granted are also identified.

Standards not Incorporated by Reference and their Location in Tariff:

NAESB Standard	Tariff record
1.3.1	GT&C – Definitions, 6.1.16
1.3.2(i-vi)	GT&C – Nomination Cycles, 6.14.2
1.3.5	GT&C – Information to be Provided with Nomination, 6.14.1
1.3.6	GT&C – Nomination Cycles, 6.14.2(e)
1.3.7	GT&C – Changes to Nominations, 6.14.3(a)
1.3.8	GT&C – Changes to Nominations, 6.14.3(b)
1.3.9	GT&C – Changes to Nominations, 6.14.3(c)
1.3.11	GT&C – Changes to Nominations, 6.14.3(b)
1.3.19	GT&C – Information to be Provided with Nomination, 6.14.1
2.3.7	GT&C – Inspection of Equipment and Records, 6.5.2
2.3.9	GT&C – Definitions, 6.1.9~~6~~
2.3.11	GT&C – Inspection of Equipment and Records, 6.5.2
2.3.14	GT&C – Inspection of Equipment and Records, 6.5.2
3.3.14	GT&C – Billing, 6.6.1
3.3.15	GT&C – Adjustment of Billing Error, 6.7.5
3.3.17	GT&C – Payment Under All Rate Schedules, 6.7.1
3.3.18	GT&C – Payment Under All Rate Schedules, 6.7.1
3.3.19	GT&C – Payment Under All Rate Schedules, 6.7.1
5.3.2	GT&C – Scheduling of Parcels, Bids, and Notifications, 6.19.8
5.3.3	GT&C – Allocation of Parcels, 6.19.7(a)
5.3.7	GT&C – Capacity Reput, 6.19.10
5.3.8	GT&C – Reput Method and Rights, 6.19.11
5.3.13	GT&C – Bidding for a Parcel, 6.19.6(d)
5.3.14	GT&C – Posting of a Parcel, 6.19.5
5.3.15	GT&C – Bidding for a Parcel, 6.19.6(d)
5.3.26	GT&C – Notice Requirements, 6.19.3(c)
5.3.55	GT&C – Capacity Recall, 6.19.9

Standards Incorporated by Reference:

Additional Standards:

General:

Definition:
0.2.5

Standards:
0.3.1, 0.3.2, 0.3.16, 0.3.17

Creditworthiness:

Standards:
0.3.3, 0.3.4, 0.3.5, 0.3.6, 0.3.7, 0.3.8, 0.3.9, 0.3.10

Gas/Electric Operational Communications:

Definitions:
0.2.1, 0.2.2, 0.2.3, 0.2.4

Standards:
0.3.11, 0.3.12, 0.3.13, 0.3.14, 0.3.15

Operating Capacity and Unsubscribed:

Standards:
0.3.18, 0.3.20, 0.3.21, 0.3.22

Datasets:
0.4.2, 0.4.3

Location Data Download:

Standards:
0.3.23, 0.3.24, 0.3.25, 0.3.26, 0.3.27, 0.3.28, 0.3.29

Dataset:
0.4.4

Storage Information:

Dataset:
0.4.1

Nominations Related Standards:

Definitions:
1.2.1, 1.2.2, 1.2.3, 1.2.4, 1.2.5, 1.2.6, 1.2.8, 1.2.9, 1.2.10, 1.2.11, 1.2.12, 1.2.13, 1.2.14, 12.15, 1.2.16, 1.2.17, 1.2.18, 1.2.19

Standards:
1.3.3, 1.3.4, 1.3.13, 1.3.14, 1.3.15, 1.3.16, 1.3.17, 1.3.18, 1.3.20, 1.3.21, 1.3.22, 1.3.23, 1.3.24, 1.3.25, 1.3.26, 1.3.27, 1.3.28, 1.3.29, 1.3.30, 1.3.31, 1.3.32, 1.3.33, 1.3.34, 1.3.35, 1.3.36, 1.3.37, 1.3.38, 1.3.39, 1.3.40, 1.3.41, 1.3.42, 1.3.43, 1.3.44, 1.3.45, 1.3.46, 1.3.48, 1.3.51, 1.3.53, 1.3.55, 1.3.56, 1.3.58, 1.3.62, 1.3.64, 1.3.65, 1.3.66, 1.3.67, 1.3.68, 1.3.69, 1.3.70, 1.3.71, 1.3.72, 1.3.73, 1.3.74, 1.3.75, 1.3.76, 1.3.77, 1.3.79, 1.3.80, 1.3.81, 1.3.82

Datasets:
1.4.1, 1.4.2, 1.4.3, 1.4.4, 1.4.5, 1.4.6, 1.4.7

Flowing Gas Related Standards:

Definitions:
2.2.1, 2.2.2, 2.2.3, 2.2.4, 2.2.5

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

Datasets:
2.4.1, 2.4.2, 2.4.3, 2.4.4, 2.4.5, 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10, 2.4.11, 2.4.17, 2.4.18

Invoicing Related Standards:

Definition:
3.2.1

Standards:
3.3.3, 3.3.4, 3.3.5, 3.3.6, 3.3.7, 3.3.8, 3.3.9, 3.3.10, 3.3.11, 3.3.12, 3.3.13, 3.3.16, 3.3.21, 3.3.22, 3.3.23, 3.3.24, 3.3.25, 3.3.26, 3.3.27

Datasets:
3.4.1*, 3.4.2, 3.4.3, 3.4.4

Quadrant Electronic Delivery Mechanism Related Standards:

Definitions:
4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5, 4.2.6, 4.2.7, 4.2.8, 4.2.9, 4.2.10, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 4.2.15, 4.2.16, 4.2.17, 4.2.18

Standards:
4.3.1, 4.3.2, 4.3.3, 4.3.16, 4.3.17, 4.3.18, 4.3.20, 4.3.22, 4.3.23, 4.3.24, 4.3.25, 4.3.26, 4.3.27, 4.3.28, 4.3.30, 4.3.31, 4.3.32, 4.3.33, 4.3.34, 4.3.35, 4.3.36, 4.3.38, 4.3.40, 4.3.41, 4.3.42, 4.3.43, 4.3.44, 4.3.45, 4.3.46, 4.3.47, 4.3.48, 4.3.49, 4.3.50, 4.3.52, 4.3.53, 4.3.54, 4.3.55, 4.3.57, 4.3.58, 4.3.66, 4.3.67, 4.3.68, 4.3.69, 4.3.72, 4.3.75, 4.3.78, 4.3.79, 4.3.80, 4.3.81, 4.3.82, 4.3.85, 4.3.86, 4.3.87, 4.3.89, 4.3.90, 4.3.91, 4.3.92, 4.3.93, 4.3.94, 4.3.95, 4.3.96, 4.3.97, 4.3.98, 4.3.99, 4.3.100, 4.3.101, 4.3.102, 4.3.104, 4.3.105, 4.3.106, 4.3.107, 4.3.108, 4.3.110

Capacity Release Related Standards:

Definitions:
5.2.1, 5.2.2, 5.2.3, 5.2.4, 5.2.5

Standards:
5.3.1, 5.3.4, 5.3.5, 5.3.9, 5.3.10, 5.3.11, 5.3.12, 5.3.16, 5.3.18, 5.3.19, 5.3.20, 5.3.21, 5.3.22, 5.3.23, 5.3.24, 5.3.25, 5.3.28, 5.3.29, 5.3.31, 5.3.32, 5.3.33, 5.3.34, 5.3.35, 5.3.36, 5.3.37, 5.3.38, 5.3.39, 5.3.40, 5.3.41, 5.3.42, 5.3.44, 5.3.45, 5.3.46, 5.3.47, 5.3.48, 5.3.49, 5.3.50, 5.3.51, 5.3.52, 5.3.53, 5.3.54, 5.3.56, 5.3.57, 5.3.58, 5.3.59, 5.3.60, 5.3.62, 5.3.62a, 5.3.63, 5.3.64, 5.3.65, 5.3.66, 5.3.67, 5.3.68, 5.3.69, 5.3.70, 5.3.71, 5.3.72, 5.3.73

Datasets:
5.4.14, 5.4.15, 5.4.16, 5.4.17, 5.4.20, 5.4.21, 5.4.22, 5.4.23, 5.4.24, 5.4.25, 5.4.26, 5.4.27

Cybersecurity Related Standards:

Definitions:
12.2.1, 12.2.2, 12.2.3, 12.2.4, 12.2.5, 12.2.6, 12.2.7, 12.2.8, 12.2.9, 12.2.10, 12.2.11, 12.2.12, 12.2.13, 12.2.14, 12.2.15, 12.2.16, 12.2.17, 12.2.18, 12.2.19, 12.2.20, 12.2.21, 12.2.22, 12.2.23, 12.2.24, 12.2.25, 12.2.26, 12.2.27, 12.2.28, 12.2.29, 12.2.30, 12.2.31, 12.2.32, 12.2.33, 12.2.34, 12.2.35, 12.2.36, 12.2.37,

12.2.38, 12.2.39, 12.2.40, 12.2.41

Standards:
12.3.1, 12.3.2, 12.3.3, 12.3.4, 12.3.5, 12.3.6, 12.3.7, 12.3.8, 12.3.9, 12.3.10, 12.3.11, 12.3.12, 12.3.13, 12.3.14, 12.3.15, 12.3.16, 12.3.17, 12.3.18, 12.3.19, 12.3.20, 12.3.21, 12.3.22, 12.3.23, 12.3.24, 12.3.25, 12.3.26, 12.3.27, 12.3.28, 12.3.29, 12.3.30, 12.3.31

Standards for which Waiver or Extension of Time to Comply have been granted:

NAESB Standard	Waiver or Extension of Time

FORM OF SERVICE AGREEMENT - FIRM TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE FTS-1

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on a firm basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on a firm basis, (if applicable)~~ and~~

~~WHEREAS, NBP and Shipper previously made and entered into Contract No. ________ on ___________ for firm transportation service under Rate Schedule FTS-1. Service under Contract No. ________ commenced on ___________, as reflected in Section 3.1 herein. NBP and Shipper now desire to amend, restate, and supersede any prior agreements associated with services provided hereunder~~;

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Firm Transportation Agreement (“Agreement”), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of

notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Quantity of Gas and Points of Receipt and Delivery

1. The point(s) of receipt and delivery, and the maximum quantities of gas to be delivered by NBP for Shipper's account at the point(s) of delivery are set forth in Exhibit A, attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.

III
Term

1. The service commencement date is __________, and service shall continue until __________.

(Evergreen, if applicable)
Thereafter, this Agreement shall continue in full force and effect for an additional term of _____ unless ______ gives at least ______ written notice prior to the termination date of this Agreement of its desire to terminate this Agreement.

(if applicable)
Shipper shall have a regulatory right of first refusal as set forth in Section 6.10 of the General Terms and Conditions of NBP's Tariff.

(if applicable)
Shipper shall have a contractual right of first refusal which (a) shall be exercised consistent with the procedures set forth in Section 6.10 of the General Terms and Conditions of NBP's Tariff; (b) exists by virtue of this Agreement, notwithstanding the fact that Shipper would otherwise be ineligible for this right under Section 6.10; and (c) shall not extend or apply to any subsequent agreement or amendment arising from the exercise thereof.

(if applicable)
Shipper shall not have a right of first refusal.

IV
Rate(s), Rate Schedules,
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

V
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper warrants that the requisite upstream and downstream transportation arrangements to effectuate the service to be provided pursuant to the Agreement are in place, or will be in place as of the requested effective date of service.

3. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

4. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail~~, or fax~~, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail~~, or fax~~, or other means similarly agreed to:

~~"~~NORTH BAJA PIPELINE, LLC~~"~~
700 Louisiana Street, Suite ~~700~~1300
Houston, Texas 77002-2700
Attention: Commercial ~~Operations~~Services

[~~"~~SHIPPER] ~~hipper"~~
____
____
____
____
Attention: ______________________________

5. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

6. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

7. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ____
Name: ____
Title: ____

[SHIPPER]

By: ____
Name: ____
Title: ____

EXHIBIT A

TO THE FIRM TRANSPORTATION AGREEMENT

Dated ______________

Between NORTH BAJA PIPELINE, LLC,

and ____

Transportation Demand:

Begin Date	End Date	Demand Dth/day	Recurrence ~~Recurrene~~ Interval

Primary Receipt Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

Primary Delivery Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

If applicable, Minimum Receipt/Delivery Pressure Obligation (psig): ____________________

~~Start Date~~	~~End Date~~	~~Receipt Point~~	~~Delivery Point~~	~~Maximum Daily Quantity (Delivered) Dth/d~~
________	________	__________	__________	________________

FORM OF SERVICE AGREEMENT - YUMA LATERAL FIRM TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO FIRM TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE FTS-1 LATERAL RATE SCHEDULE (LAT-1)

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on a firm basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on a firm basis, (if applicable) ~~and~~

~~WHEREAS, NBP and Shipper previously made and entered into Contract No. ________ on ___________ for firm transportation service under Rate Schedule FTS-1. Service under Contract No. ________ commenced on ___________, as reflected in Section 3.1 herein. NBP and Shipper now desire to amend, restate, and supersede any prior agreements associated with services provided hereunder;~~

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Firm Transportation Agreement ("Agreement"), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission ("FERC") contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule FTS-1. Shipper shall

reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Quantity of Gas and Points of Receipt and Delivery

1. The point(s) of receipt and delivery, and the maximum quantities of gas to be delivered by NBP for Shipper's account at the point(s) of delivery are set forth in Exhibit A, attached hereto, and incorporated herein by reference in its entirety and made a part hereof for all purposes.

III
Term

1. The service commencement date is __________, and service shall continue until __________.

(Evergreen, if applicable)
Thereafter, this Agreement shall continue in full force and effect for an additional term of _____ unless ______ gives at least ______ written notice prior to the termination date of this Agreement of its desire to terminate this Agreement.

(if applicable)
Shipper shall have a regulatory right of first refusal as set forth in Section 6.10 of the General Terms and Conditions of NBP's Tariff.

(if applicable)
Shipper shall have a contractual right of first refusal which (a) shall be exercised consistent with the procedures set forth in Section 6.10 of the General Terms and Conditions of NBP's Tariff; (b) exists by virtue of this Agreement, notwithstanding the fact that Shipper would otherwise be ineligible for this right under Section 6.10; and (c) shall not extend or apply to any subsequent agreement or amendment arising from the exercise thereof.

(if applicable)
Shipper shall not have a right of first refusal.

IV
Rate(s), Rate Schedule(s),
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule FTS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule FTS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. The following provision is___/is not___ applicable to this Agreement:
   In addition to the rate established for the NBP-Yuma Lateral, in accordance with Section 6.6 paragraph 3 of NBP's General Terms and Conditions of Service, Shipper also agrees to pay any Third Party Charges which may be incurred by NBP for transportation services on the Gasoducto Rosarito ("GR")-Algodones Lateral necessary to provide transportation services on the GR-Algodones Lateral as provided in Exhibit A.

V
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement consistent with NBP's tariff.

3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail~~, or fax~~, or other means as agreed to by the

parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail, ~~or fax~~ or other means similarly agreed to:

~~"~~NORTH BAJA PIPELINE, LLC~~"~~
700 Louisiana Street, Suite ~~700~~1300
Houston, Texas 77002-2700
Attention: Commercial ~~Operations~~Services

~~"Shipper"~~[SHIPPER]
____
____
____
____
Attention: ______________________________

4. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

5. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

6. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ____________________________________
Name: ____________________________________
Title: ____________________________________

[SHIPPER]

By: ____________________________________
Name: ____________________________________
Title: ____________________________________

EXHIBIT A

TO THE YUMA LATERAL FIRM TRANSPORTATION SERVICE AGREEMENT

Dated ________________________

Between NORTH BAJA PIPELINE, LLC,

and ____

Primary Receipt Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

Primary Delivery Point(s):

Start Date	End Date	Location Name	Maximum Daily Quantity (Dth/d)	Recurrence Interval

If applicable, Minimum Receipt/Delivery Pressure Obligation (psig): _____________________

~~System~~	~~Start Date~~	~~End Date~~	~~Delivery Point~~	~~Receipt Point~~	~~Maximum Daily Quantity (Dth/Day)~~
~~Yuma Lateral~~					

Third Party Charges**:** This Option is____/is not____ applicable to this Agreement:

NBP has contracted, on behalf of Shipper, for transportation service on the Gasoducto Rosarito portion of the Yuma Lateral (also known as GR-Algodones Lateral) which is located in Mexico. NBP agrees to provide transportation service to Shipper from the interconnection of the GR-Algodones Lateral with the GR Mainline in the vicinity of Algodones, Mexico ("Receipt Point") to the US/Mexico Border at Yuma, Arizona in the vicinity of County 10th Street ("Delivery Point"). This service will be for a Maximum Daily Quantity of _______ Dth/Day and a term of ___ years.

FORM OF SERVICE AGREEMENT - INTERRUPTIBLE TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE ITS-1

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on an interruptible basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis, (if applicable) ~~and~~

~~WHEREAS, NBP and Shipper previously made and entered into Contract No. ________ on ___________ for interruptible transportation service under Rate Schedule ITS-1. Service under Contract No. ________ commenced on ___________, as reflected in Section 3.1 herein. NBP and Shipper now desire to amend, restate, and supersede any prior agreements associated with services provided hereunder;~~

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Interruptible Transportation Agreement ("Agreement"), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall

reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable.

Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Term

1. The service commencement date is __________, and service shall continue until __________, or until terminated by Shipper or NBP upon thirty (30) days written notice.

III
Rate(s), Rate Schedules,
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein, or through the customer activities link on NBP's Internet website.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. 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 of NBP that have a higher priority of service.

IV
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper warrants that the requisite upstream and downstream transportation arrangements to effectuate the service to be provided pursuant to this Agreement are in place, or will be in place as of the requested effective date of service.

3. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

4. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail~~, or fax~~, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail~~, or fax~~, or other means similarly agreed to:

~~"~~NORTH BAJA PIPELINE, LLC~~"~~
700 Louisiana Street, Suite ~~700~~1300
Houston, Texas 77002-2700
Attention: Commercial ~~Operations~~Services

~~"Shipper"~~[SHIPPER]
____
____
____
____
Attention: ____________________________

5. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

6. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

7. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ______________________________
Name: ______________________________
Title: ______________________________

[SHIPPER]

By: ______________________________
Name: ______________________________
Title: ______________________________

FORM OF SERVICE AGREEMENT - YUMA LATERAL INTERRUPTIBLE TRANSPORTATION

FORM OF SERVICE AGREEMENT

APPLICABLE TO INTERRUPTIBLE TRANSPORTATION SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE ITS-1 LATERAL RATE SCHEDULE (LAT-1)

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on an interruptible basis, to transport certain quantities of natural gas; and

WHEREAS, NBP is willing to transport certain quantities of natural gas for Shipper, on an interruptible basis, (if applicable)~~ and~~

~~WHEREAS, NBP and Shipper previously made and entered into Contract No. ________ on ___________ for interruptible transportation service under Rate Schedule ITS-1. Service under Contract No. ________ commenced on ___________, as reflected in Section 3.1 herein. NBP and Shipper now desire to amend, restate, and supersede any prior agreements associated with services provided hereunder;~~

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Interruptible Transportation Agreement ("Agreement"), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission ("FERC") contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or

termination of service under this Agreement and Rate Schedule ITS-1. Shipper shall reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Term

1. The service commencement date is __________, and service shall continue until __________, or until terminated by Shipper or NBP upon thirty (30) days written notice.

III
Rate(s), Rate Schedule(s),
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule ITS-1, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC.

   In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein, or through the customer activities link on NBP’s Internet website.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule ITS-1, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. 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 of NBP that have a higher priority of service.

5. The following provision is____/is not____ applicable to this Agreement: In addition to the rate established for the NBP-Yuma Lateral, in accordance with Section 6.6 paragraph 3 of NBP's General Terms and Conditions of Service, Shipper also agrees to pay any Third Party Charges which may be incurred by NBP for transportation services on the Gasoducto Rosarito ("GR") - Algodones Lateral necessary to provide transportation service on the GR-Algodones Lateral.

IV
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement consistent with NBP's tariff.

3. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail~~, or fax~~, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail,~~ or fax,~~ or other means similarly agreed to:

   ~~"~~NORTH BAJA PIPELINE, LLC~~"~~
   700 Louisiana Street, Suite ~~700~~1300
   Houston, Texas 77002-2700
   Attention: Commercial ~~Operations~~Services

   ~~"Shipper"~~[SHIPPER]
   ____
   ____
   ____
   ____
   Attention: ______________________

4. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

5. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

6. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ____
Name: ____
Title: ____

[SHIPPER]

By: ____
Name: ____
Title: ____

FORM OF SERVICE AGREEMENT - PARKING AND LENDING SERVICE

FORM OF SERVICE AGREEMENT

APPLICABLE TO PARKING AND LENDING SERVICE
OFFERED BY NORTH BAJA PIPELINE, LLC
UNDER RATE SCHEDULE PAL~~-1~~

THIS AGREEMENT is made and entered into this _____ day of _________, 20__, by and between North Baja Pipeline, LLC, a Delaware Limited Liability Company (hereinafter referred to as "NBP"), and ____ (hereinafter referred to as "Shipper").

WHEREAS, NBP owns and operates an interstate natural gas pipeline; and

WHEREAS, Shipper desires NBP, on an interruptible basis, to park or loan certain quantities of natural gas at various points on NBP's system; and

WHEREAS, NBP is willing to park or loan certain quantities of natural gas for Shipper, on an interruptible basis, (if applicable)~~ and~~

~~WHEREAS, NBP and Shipper previously made and entered into Contract No. ________ on ___________ for interruptible transportation service under Rate Schedule PAL-1. Service under Contract No. ________ commenced on ___________, as reflected in Section 3.1 herein. NBP and Shipper now desire to amend, restate, and supersede any prior agreements associated with services provided hereunder;~~

NOW, THEREFORE, the parties agree as follows:

I
General

1. Pursuant to the terms of this Parking and Lending Service Agreement ("Agreement"), NBP agrees to provide Shipper interstate natural gas transportation service, and Shipper agrees to pay NBP for such services.

2. This Agreement is made pursuant to the regulations of the Federal Energy Regulatory Commission (FERC) contained in 18 CFR Part 284, as amended from time to time, and all other applicable laws and regulations.

3. Shipper shall reimburse NBP for any and all filing fees incurred by NBP specific to Shipper in seeking governmental authorization for the initiation of any new service or extension, or termination of service under this Agreement and Rate Schedule PAL~~-1~~. Shipper shall

reimburse NBP for such fees at NBP's designated office within ten (10) days of receipt of notice from NBP that such fees are due and payable. Additionally, Shipper shall reimburse NBP for any and all penalty fees or fines assessed NBP caused by the negligence of Shipper in not obtaining all proper domestic and Mexican import/export licenses, surety bonds or any other documents and approvals related to the domestic exportation and subsequent Mexican importation of natural gas transported by NBP hereunder.

4. (if applicable) As of __________, the terms and conditions of this Amended and Restated Agreement No. _______ represents the agreement between NBP and Shipper in its entirety and upon becoming effective supersedes any prior agreements associated with services provided hereunder, including the agreement with the same contract number as this Agreement and dated __________.

II
Term

1. The service commencement date is __________, and service shall continue until __________, or until terminated by Shipper or NBP upon thirty (30) days written notice.

III
Rate(s), Rate Schedules,
and General Terms and Conditions of Service

1. Shipper shall pay NBP each month for services rendered pursuant to this Agreement in accordance with NBP's Rate Schedule PAL~~-1~~, or superseding rate schedule(s), on file with and subject to the jurisdiction of FERC. In the event NBP and Shipper mutually agree on a rate other than the Recourse Rate, that rate, and any provisions governing such rate, shall be set forth herein, or through the customer activities link on NBP’s Internet website.

2. This Agreement in all respects shall be and remains subject to the applicable provisions of Rate Schedule PAL~~-1~~, or superseding rate schedule(s) and to the applicable General Terms and Conditions of Service of NBP's FERC Gas Tariff on file with the FERC, all of which are by this reference made a part hereof.

3. NBP shall have the right to file with the FERC any changes in the terms or rates/charges applicable to any of its Rate Schedules, General Terms and Conditions of Service or Form of Service Agreement as NBP may deem necessary, and to make such changes effective at such times as NBP desires and is possible under applicable law. Shipper may protest any filed changes before FERC and exercise any other rights it may have with respect thereto.

4. 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 of NBP having a higher priority of service.

IV
Miscellaneous

1. This Agreement shall be interpreted according to the laws of the State of California.

2. Shipper warrants that the requisite upstream and downstream transportation arrangements to effectuate the service to be provided pursuant to this Agreement are in place, or will be in place as of the requested effective date of service.

3. Shipper agrees to indemnify and hold NBP harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

4. Unless herein provided to the contrary, all notices and communications with respect to this Agreement shall be in writing by mail, e-mail~~, or fax~~, or other means as agreed to by the parties, and sent to the addresses stated below or to any other such address(es) as may be designated in writing by mail, e-mail~~, or fax~~, or other means similarly agreed to:

~~"~~NORTH BAJA PIPELINE, LLC~~"~~
700 Louisiana Street, Suite ~~700~~1300
Houston, Texas 77002-2700
Attention: Commercial ~~Operations~~Services

~~"Shipper~~[SHIPPER]~~"~~
____
____
____
____
Attention: __________________________

5. All waivers shall be in writing, and such waiver by either party of any one or more defaults by the other hereunder shall not operate as a waiver of any future default or defaults, whether of a like or of a different character.

6. This Agreement may only be amended by an instrument in writing executed by both parties hereto. In no event shall this Agreement be modified by course of performance, course of dealing or usage of trade.

7. Nothing in this Agreement shall be deemed to create any rights or obligations between the parties hereto after the expiration of the term set forth herein, except that termination of this Agreement shall not relieve either party of the obligation to correct any quantity imbalances or Shipper of the obligation to pay any amounts due hereunder to NBP.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed as of the day and year first above written.

NORTH BAJA PIPELINE, LLC
By Its Operator, TRANSCANADA NORTHERN BORDER INC.

By: ______________________________
Name: ______________________________
Title: ______________________________

[SHIPPER]

By: ______________________________
Name: ______________________________
Title: ______________________________

~~RESERVED FOR FUTURE USE~~EXHIBIT A

TO THE PARKING AND LENDING TRANSPORTATION AGREEMENT

Dated ____________

Between NORTH BAJA PIPELINE, LLC,

and ____

Maximum Quantity: ________ Dekatherms (Dth)

PAL Point(s):

PAL Service Option:

- PARK Service
- LOAN Service

PARK/LOAN SCHEDULE

Ratable (Y or N)	Period	Rate

INTERIM PERIOD

	Period	Rate

RETURN SCHEDULE

Ratable (Y or N)	Period	Rate